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MEXICAN MIGRATION: ASSESSING ROOT CAUSES

by

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June 2007

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MEXICAN MIGRATION: ASSESSING THE ROOT CAUSES

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requirements for the degree of

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ABSTRACT

This thesis asks two major questions. Does Mexican migration (authorized and unauthorized) pose a threat to the United States? What are the major forces, or “push” factors, compelling migration from Mexico to the United States? The thesis focuses on a number of potential factors driving the migration: political change, crime, poverty, and Mexico’s economic growth level and social inequality. It finds that illegal immigration from Mexico poses very little economic threat to the United States, but by complicating U.S. efforts to achieve border security, it may allow for an increased risk of undetected entry of terrorist or narcotrafficking elements into the United States.

The economic crises of 1982 and 1994 increased migration by directly impacting the political system, economic reforms and social landscape. This caused a three folds increase in migration from 1980 through 2000. In 2000, the Mexican economy recovered and the rate of increase for migration decreased. The upswing in the Mexican economy combined with the democratic transition of 2000 slowed the rate of migration.

Instead of pouring more money into short term solutions (i.e., apprehension and fences) the emphasis should be shifted to working on long-term solutions that focus on the source of Mexican migration, economic downturns. With a better understanding of the contributing factors and the degree to which they affect the levels of all economically driven migration, the United States can work with Mexico to develop measures that will reduce and control illegal migration in the long run.

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I. INTRODUCTION

Migration from Mexico, authorized and unauthorized,¹ has been the subject of considerable debate in the United States in recent years. While the debate centers partly on its economic and social benefit or harm, since the 9/11 attacks there has been an increasing focus on migration as a national security problem.

In this regard, this thesis asks two major questions. Does Mexican migration pose a threat to the United States? What are the major forces, or “push” factors, compelling migration from Mexico to the United States? The thesis focuses on a number of potential factors driving the migration: political change, crime, poverty, and Mexico’s economic growth level and social inequality. With a better understanding of the contributing factors and the degree to which they affect the levels of migration, the United States can work with Mexico to develop measures that will reduce and control unauthorized migration in the long run.

According to a popular argument, the U.S. government is responsible for controlling immigrants because of the danger they pose in terms of supposed welfare abuse, crime and terrorism, job losses and wage depression, and the dilution of the U.S. cultural homogeneity.² Research shows clearly that one push factor, the lower standard of living in Mexico, coupled with the pull factor of the prosperous U.S. economy, contributes to an increase in migration. Steven Camarota, at the U.S. Center for Immigration Studies, finds that “illegal immigrants have reduced the wages of workers without a high school education by an estimated 5.0 percent.”³ The workers affected, the

¹ Unauthorized migrants comprise two groups: those who entered the country without official documents and those who entered with valid visas but stay in-country after the expiration date.

² Jonathan Seglow, “The Ethics of Migration,” *Political Studies Review* 3 (2005): 319–330.

³ Steven A. Camarota, “Immigration from Mexico: Study Examines Costs and Benefits for the United States,” Center for Immigration Studies, at <http://cis.org/articles/2001/mexico/toc/html> (accessed January 21, 2006).

lowest-paid sector, are largely from two groups: the working poor and the unemployed seeking work. An estimated ten million U.S. citizens who lack a high school degree face job competition from migrants.⁴

Mexicans are the largest single group of unauthorized migrants in the United States and represent 5.9 million (57%) of all unauthorized migrants.⁵ In 2000, the Hispanic population counted for 12.5 percent of the U.S. population and was increasing 4.3 percent annually compared to the 0.8 percent annual increase of non-Hispanics.⁶ As Figure 1 and Table 1 show, by 2005 the number of total Mexican migrants had increased nearly three-fold, from 220,000 in 1980 to 575,000 in 2004.⁷ The total migration from Mexico into the United States represented by unauthorized migrants increased from 18 percent (1980–1984) to 85 percent (2000–2004).⁸ The Department of Homeland Security’s apprehension data for unauthorized migrants also shows a trend of increased migration at the Southwestern border.⁹

⁴ Steven A. Camarota, “Immigration from Mexico: Study Examines Costs and Benefits for the United States,” Center for Immigration Studies, at <http://cis.org/articles/2001/mexico/toc/html> (accessed January 21, 2006).

⁵ Jeffery S. Passel, “Unauthorized Migrants: Numbers and Characteristics,” Pew Hispanic Center Report 21 March 2005, at www.pewhispanic.org (accessed April 20, 2007), 7.

⁶ Jonathan Seglow, ed., “Mexico and NAFTA Report,” *Latin American Weekly Regional Report*, January 18, 2005, 14.

⁷ The numbers of unauthorized migrants from Mexico are based on the research completed by J.S. Passel, Pew Hispanic Center, using the following formula: Mexican foreign-born population–U.S. Mexican legal migration.

⁸ Jeffery S. Passel, “Unauthorized Migrants,” 8.

⁹ Mary Dougherty, Denis Wilson, and Amy Wu, “Immigration Enforcement Actions: 2005,” Homeland Security: Office of Statistics Annual Report, November 2006, at www.dhs.gov/library/asststs/statistics/yearbook/2005/enforcement (accessed January 26, 2007), 3.

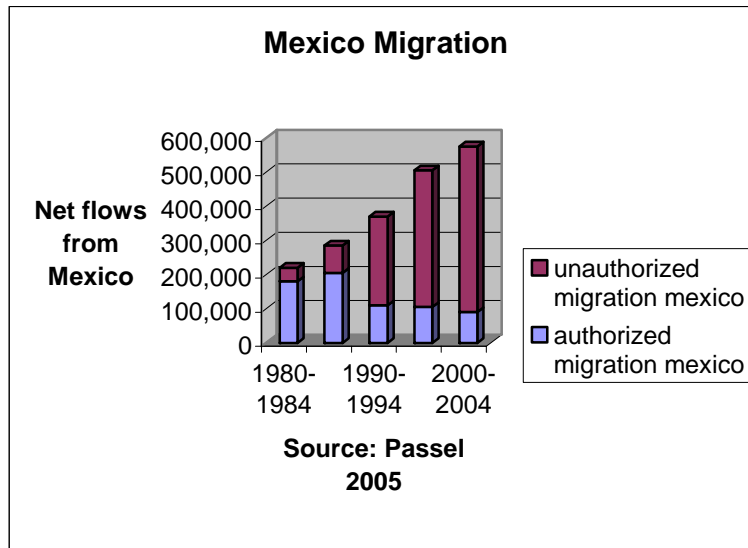


Figure 1. Mexico Migration Levels 1980-2004 [From Passel 2005]

	1980-1984	1985-1989	1990-1994	1995-1999	2000-2004
Authorized migration	180,000	205,000	110,000	105,000	90,000
Unauthorized	40,000	80,000	260,000	400,000	485,000
Total Migration	220,000	285,000	370,000	505,000	575,000
Percent increase in total migration levels	n/a	29.5%	29.8%	36.5%	13.9%

Table 1. Mexico Migration Numbers 1980-2004 [After Passel 2005]

While eliminating the pull factor is not an option, it is plausible to look at the possibility of eliminating push factors. By examining the role played by factors in Mexico, such as inequality, poverty, regime types, total crime rates, and economic

development, in migration past and present, the underlying causes of migration can be discovered. When the root causes are known and better understood, measures to remedy them can be developed and implemented.

A. MISGUIDED POLICIES

While it is obvious, in both the United States and Mexico, that the economic, social, and security aspects of migration influence government policy, until now politicians on both sides have appeared to be grandstanding. The United States seems content so far to pass laws that are unable to stop Mexican migration.

Research shows that, in this regard, the U.S. government has been and is addressing the wrong issues. The policy makers constantly look for short-term solutions instead of long-term results. This practice merely redirects the smoke and fails to put out the fire. Examples of redirecting the smoke include the temporary worker program, the current proposal to build a fence along the U.S.–Mexico border, and the federal government’s implementation of Operation Jump Start, using approximately 6,000 National Guard troops along the Southwest border to stop the flow of Mexican migration. These so-called solutions are based largely on political rhetoric,¹⁰ according to which, for instance, the temporary worker program “would match willing foreign workers with willing employees, when no American can be found to do the job.”¹¹ The program would offer legal status for three years. If, after this time frame, a migrant is still working, he can apply for renewal. If not, he is expected to return to his place of origin. This plan includes the establishment of economic incentives in the form of temporary worker credits toward the migrants’ nation’s retirement system and a tax-preferred savings account.¹² In a 2006 radio address, President Bush cited the value of the guest worker program and continued his push for its implementation.¹³ This is basically a good plan

¹⁰ Stephen R. Vina, “Border Security and Military Support: Legal Authorizations and Restrictions,” CRS Report for Congress (July 26, 2006), 1.

¹¹ George W. Bush, Address, Immigration Policy: New Temporary Worker Program, January 7, 2004, at www.whitehouse.gov/news/2004 (accessed August 30, 2006).

¹² Ibid.

for changing the status of migrant workers, but it fails to address the fundamental problem: the sheer magnitude of migration.

Mexico is equally guilty of failing to achieve workable solutions. Some Mexican officials advocate the peoples' right to migrate at will. Some also demand that the United States both implement guest-worker programs and legalize the undocumented workers already in the United States, while at the same time criticizing U.S. proposals for increased border enforcement.¹⁴ Only by looking past these political agendas can new policies that focus on root causes be evaluated on their merit.

B. BACKGROUND

When the Mexico–U.S. migration began, early in the twentieth century, Mexico was involved in a civil war and the United States in an urgent need for labor. Between 1917 and 1921, and again between 1942 and 1964, the U.S. government approved the admittance of young Mexican workers as guest workers, or Braceros.¹⁵ The workers knew well the economic opportunities that lay across the Mexico–U.S. border. American farmers were well aware that the migrants wanted work and that the cheap labor they provided could be used to reduce the overhead costs of running an agriculture business. Thus, the Braceros program was mutually beneficial, until, that is, it was terminated, leaving both parties in dire straits.

The termination of the Braceros program shaped the Mexico–U.S. migration phenomenon in two main ways. First, it established a supply of and a demand for agricultural services: the migrants needed the jobs and the owners benefited financially. Second, it helped to set up networks that had a two-prong effect. Potential migrants in Mexico established links in the United States. Those with family already in the United States were more likely to migrate because they had an established contact. The Braceros

¹³ George W. Bush, Address, Comprehensive Immigration Reform in Texas, August 3 2006, at www.whitehouse.gov/news/release/2006/08 (accessed September 6, 2006).

¹⁴ Mark Stevenson, "Mexico Demands U.S. Allow More Immigration," Associated Press, January 10, 2006, at <http://www.breitbart.com/news/2006/01/10/D8FILRc05.html> (accessed January 27, 2006).

¹⁵ Philip Martin, and Elizabeth Midgley, "Immigration: Shaping and Reshaping America," *Population Bulletin* 61:4 (December 2006): 10.

program also showcased the power of remittance, the monies migrant workers sent back to their families in Mexico. Because the American dollar was more stable than the Mexican peso, the remittance was a substantial supplement to the income of the families the migrant left behind.

A second multiplier that contributed to the increase in migration was the 1965 Hart-Celler Immigration Act signed into law by Lyndon B. Johnson as part of his New Deal policies. The act shifted the focus on immigration from Europe to countries in Asia, Latin America, and the Middle East. With the enactment of Hart-Celler, all migrants had the same standing, because the country-of-birth criteria for migrants was eliminated. Thus the level of migration increased from regions that had either not been allowed migration to the United States or had only been allowed a set quota of migrants.¹⁶

In 1986, the passage of the Immigration Reform and Control Act (IRCA), which granted amnesty to the 2.7 million unauthorized migrants in the United States,¹⁷ had two major results. It gave the hope of legalization to many migrants who had made an unauthorized entry into the United States and reinforced the concepts of networks and remittance. The newly legalized immigrants were thereby guaranteed long-term stability in the United States, “stability” meaning, they would not be deported. They would continue to send remittances to their families in Mexico and keep the network open for future family members or friends to use to migrate.

C. LITERATURE REVIEW

The literature on the economic aspects of migration provides a mass of detail about the specifics of Mexico’s economic crises, but a much lesser degree of detail about the connection between the crises and migration. Those who write about the economic crises focus mainly on the fiscal details of Mexican economics. According to that research, it is likely that the devaluation of the peso increased the rate of migration,

¹⁶ Center for Immigration Studies, “Three Decades of Mass Immigration: The Legacy of the 1965 Immigration Act,” September 1995, at www.cis.org/articles/1995/back395.pdf (accessed April 26, 2007).

¹⁷ Andorra Bruno, “Immigration: Policy Considerations Related to Guest Worker Programs,” CRS Report for Congress (December 11, 2006), 31.

inasmuch as it raised the returns of migration, through remittances, in pesos.¹⁸ Authors dealing with NAFTA also debate the ways that that treaty has either increased or decreased the flow of migration into the United States. Nonetheless, much more work needs to be done to explain the cause-and-effect relationship between economics and migration.

Two areas that do not receive a lot of attention are the effects of political regimes and of socio-economic factors on migration. Very few authors address in detail the relationship of these two variables to migration. A closer look at the effects of these two variables over the past twenty-five years would surely broaden our understanding of the causes of Mexico–U.S. migration. One writer, Denise Dresser, does go into great detail about the political change from a civil-authoritarian to a democratic regime.¹⁹ Dresser provides much insight into the working of the political transition in Mexico, but only a few pages that deal with the effect the change has had on migration.

Authors who write about Mexico’s socio-economic issues deal primarily with the increases in crime, poverty, and inequality. Typically, a rise in inequality is followed by a rise in crime.²⁰ Most of the research on crime examines the effect of transnational crime either on the United States or on Mexico’s governability.²¹ Most fail, however, to evaluate the impact of crime on migration levels. Overall, the size of the body of work on inequality, crime, and poverty pales in comparison to that on the economy and national security.

¹⁸ Susan Richter, Edward J. Taylor, and Antonio Yunez-Naude, “Impacts of Policy on Labor Migration from Rural Mexico to the United States,” National Bureau of Economics Research, Working Paper 11428, June 2005, at <http://www.nber.org/papers/w11428> (accessed January 25 2006), 9.

¹⁹ Denise Dresser, “Mexico: From PRI Predominance to Divided Democracy,” in *Constructing Democratic Governance in Latin America*, edited by Jorge I. Dominguez, and Michael Shifter (Baltimore: John Hopkins University Press), 321–347.

²⁰ Andrew Morrison, Mayra Buvinic, and Michael Shifter, “The Violent Americas: Risk Factors, Consequences, and Policy Implications of Social and Domestic Violence,” in *Crime and Violence in Latin America: Citizen Security, Democracy, and the State*, edited by Hugo Fruhling, Joseph Tulchin, and Heather A. Golding (Washington, D.C.: Woodrow Wilson Center Press, 2003), 105.

²¹ Leonardo Curzio, “Organized Crime and Political Campaign Finance in Mexico,” in *Organized Crime and Democratic Governability: Mexico and the U.S.–Mexican Borderlands*, edited by John Bailly and Roy Godson, (Pittsburgh: University of Pittsburgh Press, 2000), 85–92.

D. CHAPTER REVIEW

This thesis is based primarily on secondary sources. Congressional sources include the U.S. Government Accountability Office (GAO) and Congressional Research Service (CRS) reports. Other sources include the National Bureau of Economic Research (NBER) working papers, *Latin American Regional Weekly* journals, and books on Mexican economics, and political transition, crime, and inequality in Mexico. Also accessed were the official Websites of the Center for Immigration Studies (CIS), Inter-America Development Bank (IAD), World Bank Organization (WBO), U.S. Agency for International Development (USAID), United Nations (UN), Pew Hispanic Center, and the Department of Homeland Security (DHS).

To determine the underlying factors of Mexico–U.S. migration, the thesis looks at causes of the migration levels for the last twenty-five years. The U.S. pull factor, in terms of economic activity and a preference for cheap labor, was held at a constant. The U.S. GDP remained higher than Mexico’s GDP and did not change during the twenty-five-year timeframe. And the United States’ need for cheap labor never varied. The thesis addresses four main independent variables: the type of political regime in power, total crime statistics, the level of income inequality and relevant economic development in Mexico.

Chapter II analyzes the ongoing debate over the threat or non-threat of Mexico–U.S. migration to the U.S. economy and national security. The chapter shows that the macro-economic gains outweigh the micro-economic losses. The alleged potential threat that Mexico–U.S. migration poses for U.S. national security derives from the possibility – not the probability – that terrorists could use that border to gain access to the United States. The chapter finds that the economic benefits gained by the United States through migration, both unauthorized and authorized, outweigh the threat to its national security.

Chapter III is organized around the economic crisis of 1982. The chapter addresses the political, economic, and social dimensions of the crisis prior to, during, and after the crisis. To avoid mass mobilization in reaction to the 1982 crisis, the authoritarian civilian government made significant policy changes. Though the Mexican political

system remained “partially free”, the doors were opened for other parties to participate in the government. In regard to the economic aspect, the chapter examines trade flows, devaluation of currencies, and economic reforms and growth. The Mexican GDP’s annual growth rate decreased in the 1980s, while the U.S. GDP’s annual growth rate increased. This disparity acted as a pull factor, bringing many migrants out of Mexico into the United States. There were two phases of neo-liberal economic reform that proved to be a long-term solution to some of the deficiencies of the Mexican economy. However, the people had neither the will nor the financial capital to wait on the reforms.

In regard to the social aspect, the chapter covers inequality, poverty, and crime in Mexico. According to the Gini Index, in the 1980s both extreme poverty and the overall level of crime increased. Because the number of homicides remained constant, the increase in total crime is attributed to a rise in robberies. The robberies, considered as economic crimes, coincided with the economic crisis and explain the increase in the overall crime rate. Chapter III also examines the role of the networks created by migrants already in the United States and their influence on migration. It was the combination of all of these variables that increased the rate of migration by 29.5 percent.²²

Chapter IV is organized around three presidential sexenios, the Salinas, Zedillo, and Fox administrations. The annual growth of Mexico’s GDP was either negative or low in the 1990s, only to rebound with positive growth in the 2000s. During that same time frame, the United States’s GDP averaged a 3.2 percent growth rate. From the 1990s to the mid-2000s, the Gini Index was reduced, as was the level of extreme poverty and the number of people lacking basic dietary requirements. The level of overall crime continued to increase, however, with an increase in assaults and a decrease in robberies. The decrease in robberies, because an economic crime, indicates that the economic situation was improving.

The Salinas administration (1988–1994) continued the previous administration’s drive for economic reform, with Phases III/IV. Salinas’s election in 1988 paved the way for electoral reforms that changed the political landscape of Mexico. The Zedillo

²² Table 1 is derived from Passel, 2005.

administration (1994–2000), plagued by an economic crisis, implemented more radical electoral reforms. During the Zedillo administration, there was also an increase in the migration rate. The economic crisis of 1994 increased migration by 36.5 percent.²³ The Fox administration (2000–2004) represents a transition to democracy and a slowing down of the migration rate. An upswing in the Mexican economy combined with the democratic transition helped reduce the migration level to 13.9 percent.²⁴

Chapter V, the conclusion, evaluates the options for curtailing migration. It suggests that enforcement at the border is a wise endeavor. However, it concludes that enforcement should be only one of many resources used to reduce and control migration. To reduce the migration level, the Mexican government must continue to push forward economically and socially. And the U.S. government needs to work with the Mexican government to implement alternatives to the current immigration policies.

The chapter addresses the feasibility of changes in Mexico's infrastructure, educational system, and legislative branch as a means to further reduce migration. The Mexican government needs to enforce new tax legislation and invest the revenues it generates in building up its infrastructure. This would include expanding the compulsory education system from nine to twelve years of schooling and implementing a national Head Start program. Migrants who come into the United States with less than a high school education become a net deficit for the U.S. government. In addition, Mexico needs to rewrite certain legislation and allow members of congress to be reelected. Doing so would make them accountable to the people, not the party, thereby allowing the above legislative changes to be fully implemented.

²³ Table 1 is derived from Passel, 2005.

²⁴ Ibid.

II. THE THREAT: ECONOMIC OR SECURITY?

A. INTRODUCTION

In recent years there has been a great deal of debate in the United States about migration from Mexico. Part of the debate centers on the economic benefit or harm of migration, but since the 9/11 attack, there has been an increasing focus on Mexico–U.S. migration as a national security problem. This chapter focuses on the migration debate from the onset of the 1982 Mexican economic crisis up to the present. The chapter asks this question: Is the Mexico–U.S. migration, either authorized or unauthorized, a threat to the United States either economically or in terms of our national security? The chapter finds that the economic threat, which is largely to unskilled workers, is small in comparison to its economic benefits to the United States. Furthermore, reducing migration is likely to have little impact on the chance of a terrorist gaining access to the United States via the Mexico–U.S. border. Overall, the remote possibility of a terrorist threat linked to migration has to be weighed against the economic benefits of Mexican migration.

B. AN ECONOMIC THREAT?

Migrants play a crucial role in the U.S. economy. They work in both agricultural and nonagricultural sectors in the United States. Migrants make up 3.5 percent of the U.S. labor force, concentrated in two sectors, services (25%) and production/transportation occupations (29%).²⁵ A majority of U.S. farm workers are Mexican, with half of them being unauthorized migrants.

The literature on the economics of migration falls into two categories: studies that view it as an advantage and studies that view it as a disadvantage. Advocates of

²⁵ Jonathan Seglow, ed., “Mexico and NAFTA Report,” *Latin American Weekly Regional Report* (January 13, 2004):12-13.

immigration view it as an advantage largely because of its positive benefits to the macro-economy. Conversely, those who view migration as a disadvantage focus on micro-economic losses.

1. Economic Peril

One segment of the U.S. political community views unauthorized Mexico–U.S. migration as an economic threat. They oppose the legalization of unauthorized migrants through a guest-worker program, amnesty, or any combination of the two, claiming that this would not resolve the basic problems connected with high levels of migration of unskilled workers. The costs they associate with migration are primarily related to migrants as labor substitutes, that is, migrants who compete primarily with low-skilled American workers for jobs.²⁶ The workers affected are those in the lowest-paid sectors and those who are unemployed and seeking work. These low-skilled workers see migration as a threat to their economic security and way of life. Thus, politicians whose constituencies are made up of a majority of unskilled workers and organized labor groups also argue that Mexico-U.S. migration is an economic threat.²⁷

In addition, this migration is said to impose a burden on taxpayers. “Households headed by unauthorized migrants imposed more than \$26.3 billion in costs on the federal government (\$2,700 deficit per household) in 2002 and paid only \$16 billion in taxes.”²⁸ A large portion of this deficit comes from the cost of Medicaid benefits, food assistance, Women Infant and Children (WIC), school lunches, federal prisons, federal courts, and federal aid to schools. Unauthorized migrant households tend to receive twice as much in

²⁶ Pablo Ibarra, and Darren Lubotsky, “Mexican Immigration and Self-Selection: New Evidence from the 2000 Mexican Census,” National Bureau of Economic Research, Working Paper 11456, June 2005, at <http://www.nber.org/papers/w11456> (accessed January 22, 2006).

²⁷ Robert McMahon, “The 110th Congress and Immigration Reform,” Council on Foreign Relations: A Nonpartisan Resource for Information and Analysis, February 13, 2007, at www.cfr.org/publication/12628/ (accessed May 3, 2007).

²⁸ Steven Camarota, “The High Cost of Cheap Labor: Illegal Immigration and the Federal Budget,” Center for Immigration Studies, August 2004, at <http://www.cis.org> (accessed March 10, 2007), 5.

benefits as they pay in taxes. Nonetheless, the benefits they receive are still only half the amount of the benefits received by legal households.²⁹

Some research shows that granting amnesty to the current unauthorized migrants in the United States would impose a cost on the government budget by \$29 billion.³⁰ But amnesty would also allow those migrants to apply for more federal aid, thereby increasing the net deficit. Though, if legalized, the unauthorized migrant would pay 77 percent more in taxes, the added cost of services would increase 118 percent.³¹ The migrants' reduced level of taxes paid is not the result of their unwillingness to work or their illegal status. Rather, it is due to their lack of education, which reduces their taxable income. Sixty-five percent of homes whose head of household are unauthorized migrants do not possess a high school diploma.³² This situation creates a cycle in which more public services are used compared to the taxes being paid.

2. Economic Benefits

An alternative point of view sees migration as an economic advantage. The National Bureau of Economics Research, for example, a major proponent of the economic-advantages perspective, cites the positive results of NAFTA and the Immigration and Reform Control Act on migration.³³ According to the Bureau, the macro-economic advantages outweigh any micro-economic loss. The migration of labor into the United States tends to increase the total income of United States by \$6 billion.³⁴ Also, because they can hire migrants, companies do not have to pay more to attract Americans to the low-skilled jobs. This keeps down the overall cost of production, thus also keeping down prices. The quality of living of the American middle class does not go

²⁹ Steven Camarota, "High Cost of Cheap Labor," 5.

³⁰ Ibid.

³¹ Ibid.

³² Ibid, 25.

³³ Senate Committee on Foreign Relations, *Trade versus Aid: NAFTA Five Years Later*, 106th Cong., 1st session, 1999, 106–80, 9.

³⁴ George J. Borjas, "The Economic Benefits of Immigration," National Bureau of Economic Research, Working Paper 4955, December 1994, at <http://www.nber.org/papers/w4955> (accessed May 4, 2007), 4.

down, and any surplus can be invested in the economy. This viewpoint therefore endorses Mexico–U.S. migration and the legalization of undocumented migrants.

Over time, a migrant with a high school education costs taxpayers \$30,000. However, if the migrant’s children contributions are included over their lifetime, there is a net benefit to the United States of \$51,000.³⁵ The children of the migrant will contribute a net gain once they start working in the economy, which will be enough to offset the initial deficit imposed by the parent migrant. In this respect, a migrant with a high school education contributes a net gain to the American economy after two generations.

Migration also provides economic benefits for the sending country. Once in the United States these workers send back remittances that increase their family’s income and provide further revenue for the state. Every year, remittances from the United States to Mexico contribute \$20 billion to the Mexican economy, a contribution second only to oil exports.³⁶

C. A NATIONAL SECURITY THREAT?

After the 9/11 attacks, national security took the lead on the United States’s list of concerns.³⁷ Latin America is not generally viewed, however, as a region for terrorism. Indeed, the only Latin America country that falls under Section 306 of the 2002 Enhanced Border Security and Visa Reform Act (EBSVRA) as a state sponsor of terrorism is Cuba.³⁸ Although there is no conclusive proof that al-Qaeda is operating there, one region, the Tri-Border Area (TBA) consisting of Argentina, Brazil, and Paraguay, is routinely categorized as a hub for Hezbollah and Hamas fundraising, arms/drug trafficking, smuggling, and fraud and money laundering through the Black

³⁵ Philip Martin and Elizabeth Midgley, “Immigration: Shaping and Reshaping America,” 23.

³⁶ Inter-America Development Bank, “Remittances Home: Migrant-Remittance As a Development Tool,” July 2005, at www.iadb.org/mif/remittance/index (accessed January 30, 2007).

³⁷ Samuel T. Francis, “Illegal Immigration: A Threat to U.S. Security,” *Conflict Studies* 192 (1986): 1.

³⁸ Mark P. Sullivan, “Cuba: Issues for the 110th Congress,” CRS Report for Congress (January 22, 2007), 22-25.

Market Peso Exchange (BMPE) and Alternative Remittance Systems (ARS).³⁹ Despite a lack of evidence demonstrating collaboration between Hezbollah and al-Qaeda in Latin America (and elsewhere, for that matter), many observers worry that al-Qaeda may be using the same networks that Hezbollah and other organizations exploit to generate funds.⁴⁰

Many experts are also concerned that the ease of passage across the border provided by human- and drug-trafficking networks put our country at risk. Thus, they support added security along the borders. According to Admiral James Loy, former Department of Homeland Security Deputy Secretary, “Al-Qaeda is considering infiltrating the Southwest border due to a belief that illegal entry is more advantageous than legal entry for operational security reasons.”⁴¹ One set of responses includes a proposal to build fences along the U.S.-Mexico border and the implementation of Operation Jump Start by the federal government, putting approximately 6,000 National Guard troops along the Southwest border to stop the flow of unauthorized migration.⁴² In addition to the recommendations of the 9/11 Commission, in 2005, Congress allotted \$176 million for additional border patrols and \$454 million for migration enforcement activities.⁴³

In fiscal year 2004, United States Border Patrol agents apprehended 1.16 million people attempting to enter the country illegally between official ports of entry. Ninety-three percent of those aliens were Mexican nationals; the other seven percent were categorized as Other Than Mexican (OTM).⁴⁴ This is an important distinction to understand because lawmakers often refer to the 219 percent increase in OTM

³⁹ Trevor Stanley, “Australian Anti-Terror Raids: A Serious Plot Thwarted,” *Terrorism Monitor: In-Depth Analysis of the War on Terror*, *The Jamestown Foundation* 3, 23 (December 2, 2005), 11.

⁴⁰ *Ibid.*, 9–10.

⁴¹ Blas Nunez-Neto, “Border Security: Apprehensions of ‘Other Than Mexico’ Aliens,” CRS Report for Congress (September 22, 2005), 21.

⁴² Stephen R. Vina, “Border Security and Military Support,” 1.

⁴³ Amy Belasco, “FY2005 Supplemental Appropriation for Iraq and Afghanistan, Tsunami Relief, and Other Activities,” CRS Report for Congress (May 5, 2005), 8.

⁴⁴ Blas Nunez-Neto, “Border Security: Apprehensions of ‘Other Than Mexico,’ ” 1.

apprehensions that occurred between FY2002 to FY2005.⁴⁵ As Table 2 shows, the four countries with the most OTM migrants were Honduras, Brazil, Guatemala, and El Salvador.⁴⁶ Little attention is paid to the fact that for special interest OTMs – migrants from countries that are designated as having a terrorist connection – apprehensions have declined by 40 percent over the same period.⁴⁷

The assumption is made that anyone can enter the country at any time through the organized crime networks that deal in human trafficking,⁴⁸ drug trafficking, and alien smuggling.⁴⁹ Thus the networks have the potential to be exploited by terrorists. Authors who view migration as a national security threat usually deal with the problem in a reactionary way. They look at the most efficient way to stop and apprehend unauthorized migrants at the border.

⁴⁵ Blas Nunez-Neto, “Border Security: Apprehensions of ‘Other Than Mexico,’ ” 10.

⁴⁶ Ibid., 17.

⁴⁷ Ibid., 19–20.

⁴⁸ In human trafficking, aliens may agree to be smuggled into the United States, but once they arrive they are subjected to exploitive arrangements, including prostitution and forced labor, that produce long-term profits for the trafficker.

⁴⁹ Alien smuggling is a transnational crime because it involves more than one country and, typically, the alien has consented (even paid) to be smuggled.

Country	FY2002	FY2003	FY2004	FY2005 ^a	% Change FY02-FY05
Honduras	9,316	14,491	24,420	36,118	288%
Brazil	3,100	5,240	8,859	27,396	784%
El Salvador	7,036	9,602	16,974	27,317	288%
Guatemala	6,021	7,728	11,628	14,866	147%
Nicaragua	581	765	1,460	2,498	330%
Cuba	1,541	1,303	1,406	2,144	39%
China	688	576	1,096	1,653	140%
Ecuador	664	521	679	989	49%
Dominican Republic	1,183	2,057	2,023	969	-18%
Costa Rica	233	382	450	700	200%
Canada	1,836	1,611	1,497	697	-62%
Peru	312	366	370	388	24%
Colombia	347	368	335	308	-11%
India	345	316	378	235	-32%
Jamaica	287	269	215	162	-44%
Bolivia	48	59	140	161	235%
Albania	167	115	117	155	-7%
Argentina	207	252	168	138	-33%
Haiti	295	324	165	131	-56%
Poland	228	205	231	122	-46%
Romania	42	58	85	103	145%
South Korea	143	218	161	98	-31%
Pakistan	167	228	164	91	-46%
Venezuela	69	126	132	88	28%
Israel	103	109	91	68	-34%

Source: CRS Analysis of CBP Data

a. FY2005 Data Through July 11.

Table 2 Top 25 OTM Countries in FY 2005 [From Blas Nunez-Neto, 2005]

The numerous CRS and GAO reports to Congress on this issue deal more with apprehension than with prevention, overlooking the likelihood that reducing the overall flow of migrants would increase their ability to find the “needle in the haystack,” that is, to detect terrorists seeking illegal entry.

D. CONCLUSIONS

In 2005, 208,521 foreign nationals were removed from the United States. Mexico was the country of origin for 69 percent of them.⁵⁰ It is clear, therefore, that the majority of unauthorized migrants do come from Mexico. Still, research shows that migration from Mexico is not a threat; and the United States and Mexico both benefit economically from migration. Overall, the macroeconomics gains of the United States outweigh the microeconomic losses posed by migration. And the Mexican government benefits both economically and politically. Thus, the economic advantages for both countries must be weighed against the threat to national security.

That said, it is still possible that there is a threat to national security from the Latin American region. The focus to date has been largely on the U.S-Mexico border and the massive wave of unauthorized migration from Mexico. We find that the media exaggerates the possibility of a terrorist entering either directly from Mexico or through Mexico via Central or South America. The argument that migration on the U.S-Mexico border poses a threat to our national security is based, therefore, on a *possibility*, not a probability that a terrorist could gain access via migration from Mexico to the United States.

In sum, locating a terrorist along the U.S-Mexico border is equivalent to the proverbial finding of a needle in a haystack. And the current U.S. approach, to hire more people to look for the needle, is misguided. To find the needle, the focus should be on reducing the amount of hay, that is to say, the mount of migration itself. Instead of

⁵⁰ Mary Dougherty, Denis Wilson, and Amy Wu, “Immigration Enforcement Actions: 2005,” 1.

pouring more money into short-term solutions such as apprehension and fences, the emphasis should be on developing long-term solutions that focus on the sources of the migration as a whole.

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III. THE ECONOMIC CRISIS OF 1982

A. INTRODUCTION

This chapter examines the causes of migration during a ten-year period, 1980–1990. During this period, as Figure 1 shows, there was an increase in the total migration from Mexico into the United States.

This chapter is organized around Mexico’s 1982 economic crisis and addresses its political, economic, and social dimensions. The political analysis focuses on the Madrid presidential administration (1982–1988). The authoritarian civilian government reacted to the crisis by implementing political reforms to halt the mobilization of the people and curtail political fragmentation. For the economic aspect, we examined the government’s implementation of neo-liberal reforms and Mexico’s overall economic growth. To invigorate the failing economy, neo-liberal reforms were passed in an effort to spark economic growth. In regard to the social aspect, the chapter evaluates the role of inequality, poverty, and crime related to Mexico-U.S. migration. To identify the root causes of Mexican migration, the political, economic, and social variables are compared to the onset of an increase in migration in the 1980s.

B. CHANGES IN MEXICO’S MIGRATION LEVELS, 1980–1990

The economic crisis of 1982–88 impacted the level of migration from Mexico into the United States. As Figure 2 shows, during this period, the migration level increased 29.5 percent.⁵¹ To offset the impact of the crisis, the Madrid administration passed economic reforms, but Phases I and II of the reforms increased the hardships of the people. The older Institutional Revolutionary Party (PRI) members did not support the administration’s shift from nationalism to privatization. The Madrid administration then passed electoral reforms as a means of political appeasement to halt mobilization. Despite

⁵¹ Figure 2 is derived from Passel, 2005.

these reforms, however, the 1982 economic crisis shaped the political, economic, and social landscape in ways that impacted migration.

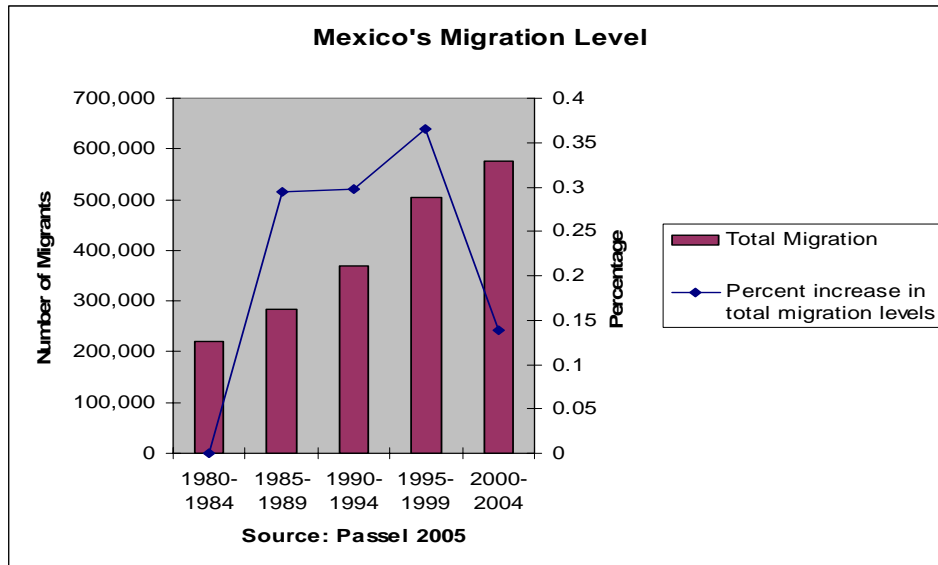


Figure 2. Mexico's Migration Level 1980-2004 [After Passel 2005]

C. THE ECONOMIC CRISIS

President Portillo's (1976–1982) populist reforms set the stage for the economic crisis in 1982. After the 1982 election, President Madrid (1982–1988) came into power. Even though the people had begun to realize that a populist style of government would not be successful, the PRI retained its strong grip on the government. The people, however, were ready for government reform. And the devastating effect that the economic crisis had on the country further paved the way for change.

The 1982 economic crisis is referred to as a debt crisis because, by 1982, Mexico's foreign debt had reached \$60 billion.⁵² Between 1984 and 1989 the overall economic inequality in Mexico increased by 10 percent.⁵³ This increase served to intensify the progress of labor migration into the United States. In theory, this acted as a pressure release valve. The exodus also helped to prevent mass mobilization for social

⁵² Robert Looney, *Economic Policy Making in Mexico: Factors Underlying the 1982 Crisis* (Durham, N.C.: Duke Press, 1985), 122.

⁵³ Wayne A. Cornelius, "Mexican Politics in Transition: The Breakdown of a One-Party-Dominant Regime," Center for U.S.-Mexican Studies, May/June 1996, University of California, San Diego, 101.

reforms. And it relieved the government of the burden of having to take care of the masses of disenfranchised people. But it also had an unintended consequence: the people who migrated sent remittances back to Mexico. Because they were sent to localities spread throughout the country, the remittance served as financial resources for 18 percent of the Mexican population.⁵⁴ Thus, the poor now had an extra source of income that enabled them to be less dependent on PRI patronage.

D. ECONOMIC REFORMS

President Madrid saw an opportunity to reduce the likelihood of mass mobilization and to push through economic reforms that the country desperately needed. He personally oversaw the first two phases. Phase I, from 1983 to mid-1985, sequentially reduced imports subject to licensing from 100 percent to 83 percent to 27 percent.⁵⁵ Tariffs on intermediate and capital goods also went down and there was a relaxation of the export controls on 44 percent of non-oil exports. The United States and Mexico also signed a bilateral trade agreement.

Phase II, from 1985 to late-1988, included a four-step tariff reduction to 0-30 percent. During this period also, Mexico joined GATT and committed to the elimination of all official prices for imports and exports. In 1987, the Economic Solidarity Pact was launched to combat inflation, establish new wage regulations, set up pricing guidelines, and further reduce the tariff range to 0-20 percent. The nearly fixed exchange rate provided a second level of control over domestic inflation. Inflation went from 160 percent in 1987 down to 20 percent in 1989. Also in 1987, a Framework Agreement shifted export promotion tools from subsidies to a temporary exemption of tariffs and

⁵⁴ “Remittance Senders and Receivers: Tracking the Transnational Channels,” Pew Hispanic Center and Multilateral Investment Fund, Washington, D.C., November 24, 2003, 3.

⁵⁵ Manuel Pastor and Carlos Wise, “The Origins of Mexico’s Free Trade Policy,” *In Modern Political Economy and Latin America: Theory and Policy*, edited by Jeffery Frieden, Manuel Pastor Jr., and Michael Tomz. (Boulder, Westview Press 2000), 178-179.

licenses for crucial imported industrial inputs. These reforms were put in place in an effort to jumpstart the Mexican economy because, if the economy prospered, the people would prosper.⁵⁶

But Mexico's move from a populist-based economy to neo-liberal reforms brought about hardship for its people. The 1980s is referred to as the "lost decade." For many Mexicans, the primary thing they lost was their faith in their country's future. As Figure 3 shows, the annual growth of Mexico's GDP, which was 6 percent in 1980, dropped to -6 percent in 1983 and 1986, and then rebounded at 2 percent in 1989.⁵⁷ During that same period, the U.S. GDP hit a record high of 7.2 percent in 1983 and averaged a 3.2 percent growth for the 1980s overall.⁵⁸ Thus, in relation, the Mexico's GDP annual percentage of growth decreased while the U.S.'s GDP annual percentage of growth increased. Thus, as a result of the economic downturns caused by the crisis, coupled with the push of the Mexican economy and the pull of the U.S. economy, the level of Mexico-U.S. migration, both authorized and unauthorized, increased in the 1980s.

⁵⁶ Manuel Pastor and Carlos Wise, "The Origins of Mexico's Free Trade Policy," *In Modern Political Economy and Latin America: Theory and Policy*, edited by Jeffery Frieden, Manuel Pastor Jr., and Michael Tomz. (Boulder, Westview Press 2000), 178-179.

⁵⁷ Figure 3 is derived from USAID Economic Commission for Latin America and the Caribbean (ECLAC) and International Monetary Fund (IMF) World Economic Outlook Database 2007.

⁵⁸ Ibid.

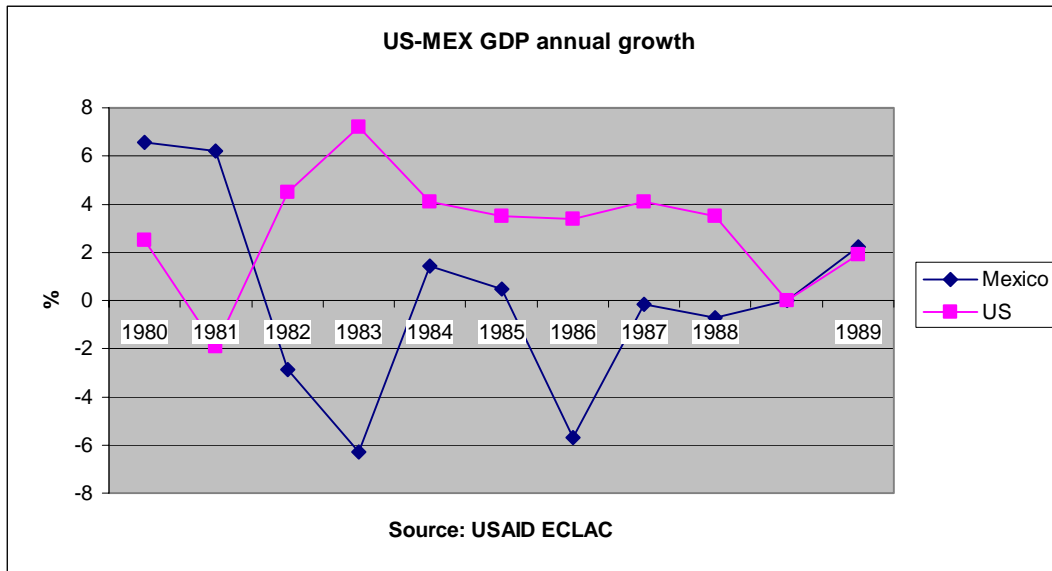


Figure 3. US-MEX GDP Annual Growth 1980-1989 [After USAID ECLAC 2007 and IMF]

E. THE POLITICAL DIMENSION

In the long-term, the government reforms proved to be just what the country needed. Nonetheless, there were still hardliner PRI members who disagreed with the neo-liberal reforms and who therefore clashed with President Madrid. One of the main objectors was Cuauhtemoc Cardenas. Cardenas and his allies strongly disagreed with the president's economic policies. They strongly opposed trade liberation, the paying of the foreign debt, privatization of industries, and reduced spending under the IMF.⁵⁹ When the electoral prospect appeared favorable, Cardenas split from the PRI. This move was indicative of things to come. For various reasons, more people started to leave the PRI, though the PRI constantly came up with ways to preserve its power.

The economic crisis of 1982 was not the only event that loosened the PRI's grip on the government. The political instability is linked to a severe natural disaster, the 1985

⁵⁹ Beatriz Magaloni, "The Demise of Mexico's One-Party-Dominant Regime: Elite Choices and the Masses in the Establishment of Democracy," in *The Third Wave of Democracy in Latin America: Advances and Setbacks*, edited by Frances Hagopian and Scott P. Mainwaring (Cambridge: Cambridge University Press, 2005), 128.

Mexico City earthquake,⁶⁰ which caused a shift in the Mexican political system. Historically, Mexico's political parties had been dominated by the state. But after the earthquake there were massive protests over government corruption and the poor building codes. The protest increased civilian participation and strengthened the NGOs,⁶¹ shifting the emphasis from the political parties to non-party political actors.

To reduce the peoples' mobilization, in 1986 the government enacted new electoral reforms which allowed the parties to present common candidates. It also sped up the ongoing expansion of the party system by eliminating the "conditional registration" of new political parties. Also, proportional representation (PR) was introduced by the Federal Electoral Commission (CFE). The CFE awarded parties representatives in proportion to their share of the national vote. This organizational system, which favored the PRI, was also carried out at the state and local levels. To give the CFE credibility, the Ministry of Government was given the authority to appoint state and local electoral administrative officials. Finally, the government created Mexico's first autonomous organization responsible for resolving electoral disputes. The nine autonomous members of the Court of Electoral Claims (TRICOEL) were appointed by majority vote in the Chamber of Deputies. The TRICOEL, under PRI control, became a central institution for future reforms and democratic transition."⁶²

Thus, the economic crisis led to reforms which, in turn, paved the way for the disruption of political ties. Though PRI hardliners adamantly opposed the idea of neo-liberal reforms, they were necessary for the country both economically and politically. It can also be argued that the reforms solved the problem, for the country and politicians, of having mass demonstrations in the streets. And they put Mexico on the world stage. However, everything has its downside. The country was slowly on the road to economic

⁶⁰ Richard Stuart Olsen, and A. Cooper Drury, "Un-Therapeutic Communities: A Cross-National Analysis of Post-Disaster Political Unrest," *International Journal of Mass Emergencies and Disasters* 1997, 15: 6.

⁶¹ Denise Dresser, "Mexico: The Decline of Dominant-Party Rule," in *Constructing Democratic Governance: Mexico, Central American and the Caribbean*, edited by Jorge I. Domínguez and Abraham F. Lowenthal (Baltimore: John Hopkins University Press, 1996), 167.

⁶² Enrique Ocha-Reza, "Multiple Arenas of Struggle: Federalism and Mexico's Transition to Democracy," in *Federalism and Democracy in Latin America*, edited by Edward L. Gibson (Baltimore and London: Johns Hopkins University Press, 2004), 271–273.

recovery, yet the people lacked the patience to wait for the reforms to work. Their options were either to endure the slow economy, to change their political support, to hope for the best, or – to migrate to the United States. “The liberalization of trade and the internationalization of the Mexican economy played a powerful role in enabling localities to defect to the opposition, both to the PAN and the PRD.”⁶³ As Table 3 shows, even with the opening up of the political structure, Mexico’s rating on the Freedom House Index did not change in the 1980s. The overall status of the political system remained only partially free.⁶⁴

<i>Freedom House Index Ratings</i>				
	YEARS COVERED	PR	CL	Status
	Jan.1981-Aug. 1982	3	4	PF
	Aug.1982-Nov.1983	3	4	PF
	Nov.1983-Nov.1984	3	4	PF
	Nov.1984-Nov.1985	4	4	PF
	Nov.1985-Nov.1986	4	4	PF
	Nov.1986-Nov.1987	4	4	PF
	Nov.1987-Nov.1988	3	4	PF
	Nov.1988-Dec.1989	4	3	PF

Table 3. Freedom in Mexico [From Freedom House Index 2006]

F. THE SOCIAL LANDSCAPE

In the 1980s Mexico’s overall crime rate climbed, an increase that is attributed in part to the increase in robberies, considered economic crimes, which impacted the overall crime level. Over an eight-year period, the overall crime rate increased, from 1,250 per 100,000 in 1980 to 2,150 per 100,000 in 1988.⁶⁵ The economic crisis of 1982 created an economic downturn, and the increase in the economic crime rate in the 1980s thus coincides with the overall economic situation. These down turns, along with the

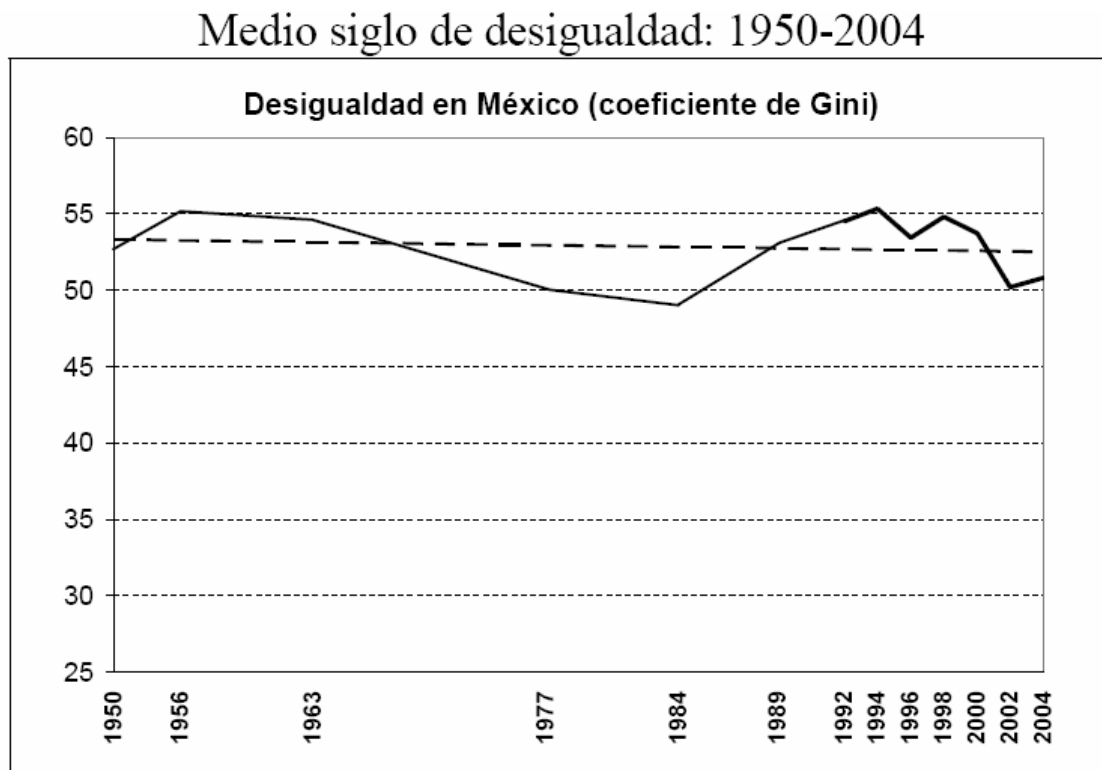
⁶³ Beatriz Magaloni, “The Demise of Mexico’s One Party,” 137.

⁶⁴ Table 3 is derived from the Freedom House “Freedom in the WorldCountry Rating 1972–2006.

⁶⁵ World Bank, “Trends and Empirical Causes of Violent Crime in Mexico: Final Report,” Mexican Health Foundation, (October 1999), 41.

government implementation of economic reforms, caused hardship for the Mexican people. But the increase in the crime rate did not cause migration. Because the crimes were essentially economic in nature, they became violent only in extreme circumstances. The increase in the overall crime rate was the result of the Economic Crisis of 1982.

As Figure 4 shows, in the 1980s, after a decade of decline, the Gini index reflected an increase. The index went from 49 in 1980 to 53 by 1989.⁶⁶ The per capita income decreased. As Figure 5 shows, it climbed to \$5,400 in 1981; then, when the economic crisis hit, it plummeted to \$5,000 where it remained constant until 1983.



Fuentes: 1950-2000: base *WIID2beta* de WIDER. 2002, 2004: INEGI.

Figure 4. Mexico's GINI Index 1950-2004 [From John Scott 2005]

⁶⁶ Figure 4 is derived from John Scott, "Metas y Mecanismo," Centro de Investigacion y Docencia Economicas, September 18, 2005, 5, at www.eclac.cl/mexico/noticias/3/22553/metasy%20mecanismos%20scott.pdf (accessed April 14, 2007).

It dropped to a low of \$4,700 in 1987 and finished the decade at \$4,800.⁶⁷ Thus the 1980s was a decade of increasing inequality. The Gini reflects this as well as the per capita GDP.

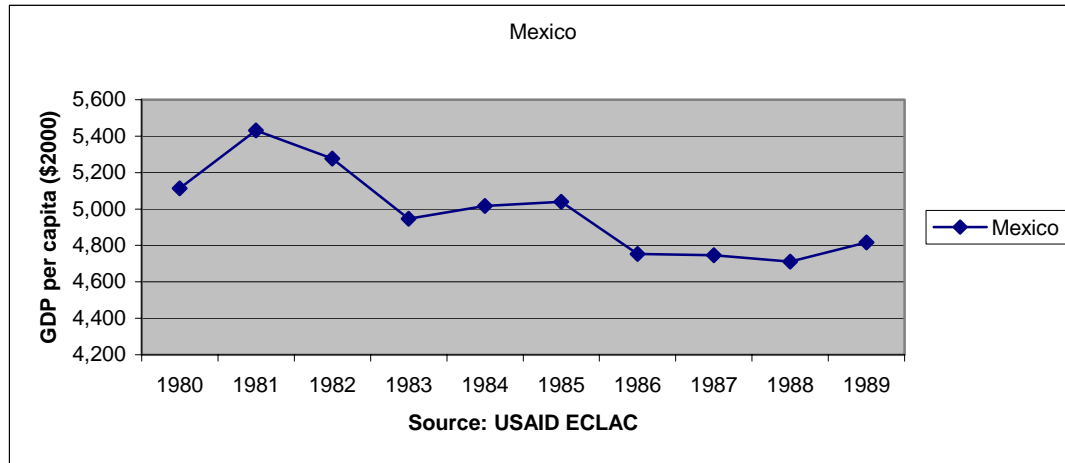


Figure 5. Mexico GDP per capita 1980-1989 [After USAID ECLAC 2007]

The loss of this income led people down a road to poverty. All in all, the economic crisis of 1982–88 had a devastating effect on the country. The neo-liberal reforms passed to combat the poor economic state also had a devastating effect. As a result, the people saw no way to get relief and had to choose either to endure the hardships or migrate.

Because of their proximity to the United States, the northern states of Mexico tend to be more industrial. They also have better infrastructure than the southern and central states. The southern and central states have a less-developed infrastructure and depend on agriculture to make a living. In 2003, 1/2 of the total Mexican population were living in poverty compared to 2/3 of the southern states population who were in poverty.⁶⁸

As Figure 6 shows, the number of people in extreme poverty increased to two million in the 1980s, with approximately 20 percent being people who did not have

⁶⁷ Figure 5 is derived from data in the 2007 United States Agency for International Development ECLAC data base.

⁶⁸ Quentin Wodon and others, "Poverty in Mexico's Southern States," in *Development Strategy for Mexican Southern States*, October 3, 2003, 2:1, at <http://wbi0018.worldbank.org/LAC/lacinfoclient.nsf> (accessed April 14, 2007).

access to the basic dietary requirements,⁶⁹ a percentage that remained constant throughout the 1980s. The extreme poverty drove some to seek a better life either in the cities or further north in the United States. Once there, they sent back remittances to help their families who were suffering in poverty. Migration, therefore, offset the economic downturn and provided some security for a migrant's family.

While the neo-liberal reforms caused hardship for Mexican families, the deregulation of the agriculture industry and other neo-liberals reforms opened doors for economic competition. But many Mexicans could not compete and had to search for alternatives. The southern states, with their dependency on agriculture and their weak

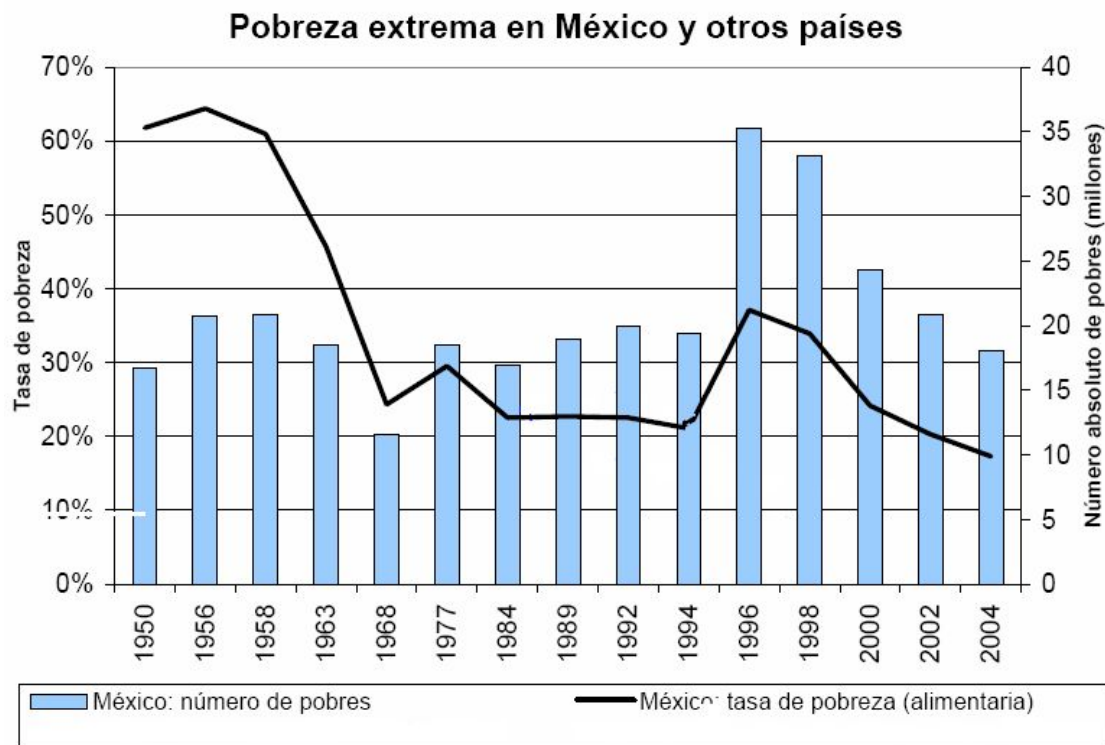


Figure 6. Mexico Extreme Poverty 1950-2004 [From John Scott 2005]

Infrastructure, suffered more than the northern states which benefited from their proximity to the United States. In sum, the rise in migration levels coincided with the rise in poverty.

⁶⁹ Figure 6 is derived from John Scott, "Metas y Mecanismo," 4.

Another explanation for the increase in migration concerns neither the Mexican economy nor the Mexican government's reforms, but rather, a change in U.S. policy. In 1986, the U.S. government passed the Immigration Reform and Control Act (IRCA), which granted amnesty to the 2.7 million unauthorized migrants in the United States.⁷⁰ This had a two-pronged effect. It gave many migrants hope of legalization despite their unauthorized entry into the United States. Newly legalized immigrants were guaranteed long-term stability: there would be no deportation. The amnesty also reenforced the existing concepts of networks and remittance. Migrants continued to send remittance to combat the effects of the economic downturn. It also kept the networks open for future family members or friends to migrate.

G. THE IMPACT OF THE 1982 ECONOMIC CRISIS ON MIGRATION LEVELS: A SUMMARY

The 1982 economic crisis triggered a downward spiral in the economy that resulted in an increase in migration from Mexico to the United States. It also forced the PRI to make political compensations in the 1980s to avoid public mobilization. Though the Mexican political system remained partially free, the doors were opened for other parties to actively participate in the government.

The annual growth rate of the Mexican GDP decreased in the 1980s, while the U.S GDP annual growth rate increased. This disparity between the two countries pushed many Mexicans out of Mexico and pulled them into the United States. Phases I and II of the Mexican government's neo-liberal economic reforms were a good long-term solution to the depressed economy. But the people had neither the will nor the financial capital to wait on the reforms. In the 1980s, the Gini Index increased in keeping with the level of extreme poverty, especially the percent of people who lacked the basis dietary requirements, which remained constant. The level of overall crime increased while homicides remained constant. An increase in robberies, economic crimes, coincided with the economic crisis and explain the increase in the overall crime rate.

⁷⁰ Andorra Bruno, "Immigration: Policy Considerations Related to Guest Worker Programs," 31.

The overall increase in population does not account for the increase in migration. As Figure 7 shows, the population grew approximately 25 percent from 1980 to 1990,⁷¹ which was less than the increase in migration. Another factor to consider is the percentage of people who did not migrate.

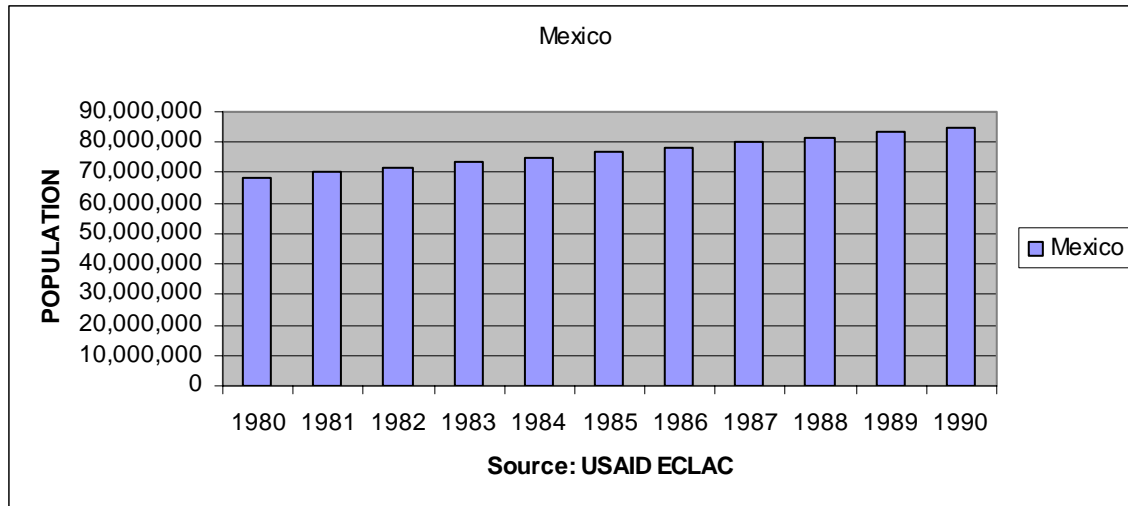


Figure 7. Mexico's Population 1980-1990 [After USAID ECLAC 2007]

The increase in migration in the 1980s demonstrates that amnesty is ineffective in curtailing migration. As Table 2 shows, the level of migration increased after the 1982 economic crisis. The enactment of ICRA in 1986 granted amnesty to over 2 million unauthorized migrants while at the same time making the hiring of unauthorized migrants illegal. The legalization of amnesty reenforced the positive benefits migrants received from remittance and provided more networks to be exploited by future migrants. This was combined with a lax adherence to the hiring practices detailed in ICRA. The U.S. government failed to enforce the laws attaining to the hiring practices, and this lax adherence to and lax enforcement of the law made it ineffective. Thus, the level of migration only increased.

In sum, the primary causes of migration from Mexico in the 1980s were its economic down turns. These were coupled with the Braceros legacy, ICRA in 1986, and

⁷¹ Figure 7 is derived from the 2007 Data from the United States Agency for International Development ECLAC data base.

the purchasing power of U.S wages in Mexico. As Table 4 shows, these variables combined to increase the rate of migration by 29.5 percent.⁷²

MIGRATION ROOT CAUSES 1980-1989		
	1980-1984	1985-1989
MIGRATION NUMBERS (1)	220,000	280,000
MIGRATION % INCREASE	N/A	29.5
ECONOMIC		
GDP ANNUAL GROWTH PERCENTAGE	DOWN	DOWN
GDP PER CAPITA	DOWN	DOWN
UNEMPLOYMENT	N/A	N/A
TOTAL ECONOMIC PICTURE	NEGATIVE	NEGATIVE
POLITICAL		
FREEDOM INDEX RATING	CONSTANT/PF	CONSTANT/PF
TOTAL POLITICAL	CONSTANT	CONSTANT
SOCIAL LANDSCAPE		
POVERTY	CONSTANT	UP
INEQUALITY	UP	UP
OVERALL CRIME	UP	UP
INFRASTRUCTURE SPENDING	CONSTANT	CONSTANT
TOTAL SOCIAL	NEGATIVE	NEGATIVE
TOTAL ASSESSMENT	NEGATIVE	NEGATIVE
1. THE MIGRATION NUMBERS ARE THE AVERAGES FOR EACH YEAR IN THE FIVE-YEAR TIME FRAME.		

Table 4 Migration Root Causes 1980-189 [After Passel 2005, UN Common Database 2007, USAID ECLAC 2007, and Freedom House 2006]

⁷² Table 4 is derived from Passel 2005, UN Common Database 2007, USAID ECLAC 2007, and the Freedom House 2006.

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IV. SHIFTING MIGRATION LEVELS: 1990–2005

A. INTRODUCTION

This chapter examines the causes of migration during a fifteen-year time period, 1990–2005. During this period, as Figure 8 shows, the level of authorized Mexico-United States migration decreased and the level of unauthorized migration increased. The overall levels of migration, authorized and unauthorized combined, increased over the entire time period, but the rate of increase began to slow markedly in 2000.⁷³

This chapter is organized around three presidential sexenios. The Salinas, Zedillo, and Fox administrations all influenced the migration levels. The Salinas administration (1988–1994) continued to drive economic reforms with Phases III and IV of its economic reforms. Salinas’s election in 1988 paved the way for electoral reforms that changed Mexico’s political landscape. The Zedillo administration (1994–2000), plagued by an economic crisis, implemented additional radical electoral reforms. This administration also experienced an increase in the migration rate. The Fox administration (2000–2004) represents Mexico’s transition to democracy and a slowing-down of the migration rate.

B. CHANGES IN MIGRATION LEVELS, 1990–2005

The Salinas administration (1988–1994) faced public unrest due to the fraudulent allocations of the 1988 presidential election. To implement phases III and IV of his economic reforms, Salinas had to make political compromises to open up Mexico’s political structure. But a combination of neo-liberal economic and political unrest led to an increase in the percentage of migration of 29.8 percent.⁷⁴ The Zedillo administration (1994–2000) presided over an economic crisis that sent shock waves through the country and caused migration from Mexico to increase 36.5 percent.⁷⁵ Thus, to combat the economic crisis and growing political unrest, Zedillo was forced to open up the political

⁷³ Figure 8 is derived from Passel, 2005.

⁷⁴ Ibid.

⁷⁵ Ibid.

system. During the Fox administration (2000–2006), the percentage of the increase in migration dropped to 13.9 percent.⁷⁶ The economy experienced an upswing and there was a transition to democracy. These three administrations shaped the political, economic, and social landscape that impacted migration.

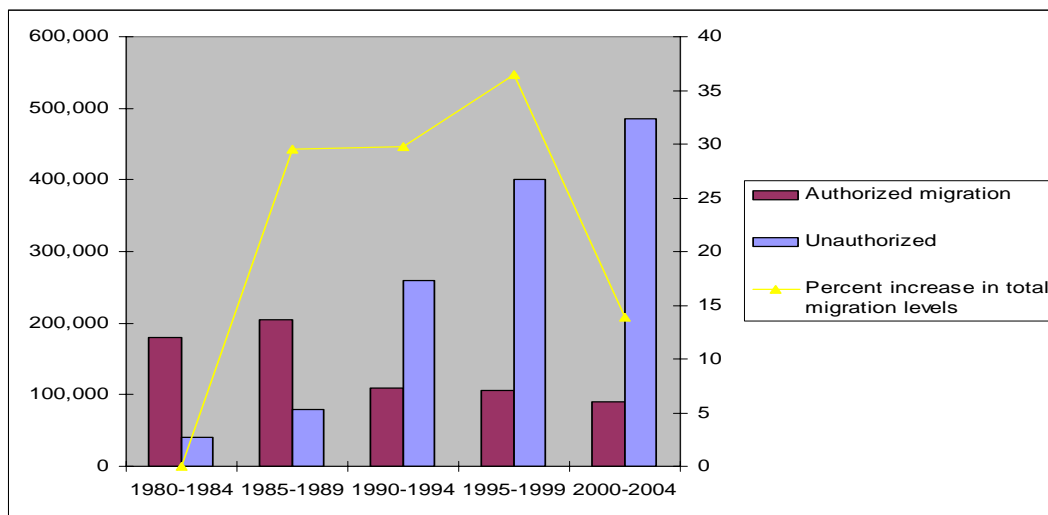


Figure 8. Migration Levels for Mexico (authorized and unauthorized) [After Passel 2005]

C. THE SALINAS ADMINISTRATION

President Salinas came into power with one of the lowest registered voter turnouts in Mexico's history, 49 percent, a circumstance that was aggravated by the allegation that the PRI had committed voter fraud. The Federal Electoral Commission (CFE) announced that it could not report the winner of the 1988 elections because the computers had gone down. Five days later, the CFE finally announced that Carlos Salinas had received 50.36 percent of the vote and was the winner. In lieu of the perceived electoral fraud, there was social unrest and the legitimacy of Salinas's presidency was in question.⁷⁷

In an effort to bolster his legitimacy, Salinas proposed a set of electoral reforms and measures to address the public debt, poverty, and public security. Two electoral

⁷⁶ Figure 8 is derived from Passel, 2005.

reforms were passed as concessions by Salinas to the National Action Party (PAN) in exchange for its support of the president's economic agenda in the Lower Chamber of Deputies. The PAN was the rational choice since it leaned to the right. It would also set the stage for a second round of economic reforms and further electoral reforms.

The 1989–90 electoral reforms consisted of the creation of the Federal Electoral Institute (IFE), the Federal Electoral Register (RFE), and the Federal Electoral Court.

The IFE was created as a public and autonomous organism responsible for the organization of executive and legislative elections at the federal level. For the first time in the transition, the government and the PRI yielded control of the federal electoral authority. The RFE created a new electoral roll and a new personal voting identification. The IFE had the responsibility of creating the RFE in order to guarantee every citizen the right to vote and to guarantee every party any give citizen would vote only once. This reform decreased the government, and the PRI's capacity to commit electoral fraud. The Federal Electoral Court (TRIFE) was established as constitutional legal authority with powers had the power to make definitive decisions and did not have to rely on a review by the Supreme Court review.⁷⁸

The 1989–90 electoral reforms would not be the last of the reforms for Salinas. As the 1994 election approached he was adamant about not allowing another mobilization/protest of a federal election to take place. In 1991 the PRI stopped the trend of losing votes in federal elections, regaining votes for the first time since 1976.⁷⁹ These results, combined with an improvement in the economy, gave Salinas confidence in the PRI's ability to win the 1994 election. As a result, Salinas passed additional electoral reforms in 1993 and 1994. This was also a way for President Salinas to admit that the electoral system in Mexico was still flawed but could be improved.

The 1993 electoral reforms were initiated to halt any mobilization of the Mexican populace. The 1994 electoral reforms encompassed state and local electoral institutions in Mexico. Majority control of the IFE went to "citizen counselors" appointed by the

⁷⁷ Wayne A. Cornelius, "Mexican Politics in Transition: The Breakdown of a One-Party-Dominant Regime," Center for U.S.-Mexican Studies, May/June 2004, University of California, San Diego, 97.

⁷⁸ Ibid, 277.

⁷⁹ Beatriz Magaloni, "The Demise of Mexico's One-Party," 139.

Chamber of Deputies. To ensure transparency, voter ID cards were issued and the ballots were numbered. Voter registration lists were made public and campaign advertisements were not allowed twenty days prior to an election.⁸⁰ This tied the PRI's hands and prevented its members from committing fraud. The reforms were needed to halt the potential of a mass mobilization.

President Salinas was willing to pass electoral reforms because the economy was strong, though still recovering from the 1982 economic crisis. The people were optimistic about the neo-liberal reforms and the future of the country. In 1994, Salinas received an 80 percent approval rating for his handling of the economy.⁸¹ Even the people who were hurt the most by the reforms, the small- and medium-business owners, supported the economic reforms.

1. Poverty and Crime Levels

The level of extreme poverty increased from 18 million in 1989 to 20 million in 1992, only to return to 18 million in 1994. But the percentage of those unable to meet minimum dietary requirements held constant at 23 percent of those in extreme poverty.⁸² Thus, the level of extreme poverty did not show much variation during this time frame. Overall, from 1990 to 1994, crime held constant at 1,600 per 100,000 people, while homicides declined.⁸³ However, during the Salinas administration the economy was making small gains and the level of migration was small. As Figure 8 shows, the percentage of increase in total migration registered a slight growth from 280,000 (1984–1989) to 375,000 (1990–1994).⁸⁴

⁸⁰ Cornelius, "Mexican Politics in Transition," 260–61.

⁸¹ Magaloni, "The Demise of Mexico's One-Party Dominant Regime," 135.

⁸² John Scott, "Metas y Mecanismo," 5.

⁸³ World Bank: Mexican Health Foundation, "Trends and Empirical Causes of Violent Crime in Mexico: Final Report," (October 1999), 41.

⁸⁴ Figure 8 is derived from J.S. Passel, 2005.

D. THE ZEDILLO ADMINISTRATION: ECONOMIC CRISIS AND CONTINUED POLITICAL REFORM

On January 1, 1994, the eve of the implementation of NAFTA, there was a Zapatista uprising in Chiapas. At the time, Chiapas was the poorest state in Mexico and had the largest indigenous population,⁸⁵ which was convinced that it would receive little benefit from NAFTA. The people viewed NAFTA as a vehicle that the administration had constructed to strip the indigenous of their rights, land, and sovereignty. Not surprisingly, therefore, 1994 began with an onset of violence.

Despite the violence in the opening days of the year, the presidential election occurred with little protest or threat of mobilization. And Ernest Zedillo won the presidency. As president, Zedillo would have to deal with the success and failures of NAFTA and an unexpected crisis that loomed ahead.

The years 1994 and 1995 witnessed an economic crisis in Mexico. Refusing to devalue the overvalued peso, the Salinas administration elected to use the country's reserve to offset the currency. This decision, which stemmed from both political and personal reasons, bestowed a volatile economy on the upcoming President Zedillo. Thus, Zedillo made the tough call and devalued the currency,⁸⁶ but in doing so, he miscalculated the devastating effect it would have on the economy. It marked the beginning of an economic crisis, during which 30,000 businesses went bankrupt, at least 1 million people lost their jobs, interest rates soared to 140 percent, inflation hit 53 percent, the economy contracted 6.6 percent, and the value of the peso fell to 12.8 cents.⁸⁷ As Figure 9 shows, the economic crisis resulted also in a rise in the unemployment levels. During 1994, 1995, and 1996 the level of unemployment

⁸⁵ Kate Doyle, ed. "Rebellion in Chiapas and the Mexican Military," *National Security Archives*, January 20, 2004, at www.gwu.edu (accessed on August 23, 2006), 2

⁸⁶ Daniel Yergin, and Joseph Stanislaw, "Mexico and NAFTA," in *Commanding Heights: Battle for the World's Economy* (New York: Simon & Schuster, Inc, 2002), 260–265.

⁸⁷ Donald E. Schulz, "Between a Rock and a Hard Place: The United States, Mexico, and the Agony of National Security," SSI Special Report, June 24, 1997, 8, at <http://carlisle-www.army.mil/usassi/> (accessed August 24, 2006).

increased, the GDP dropped by almost 7 percent, industrial wages declined by more than 30 percent in just two years, and the currency was devalued, overall, by around 250 percent.⁸⁸

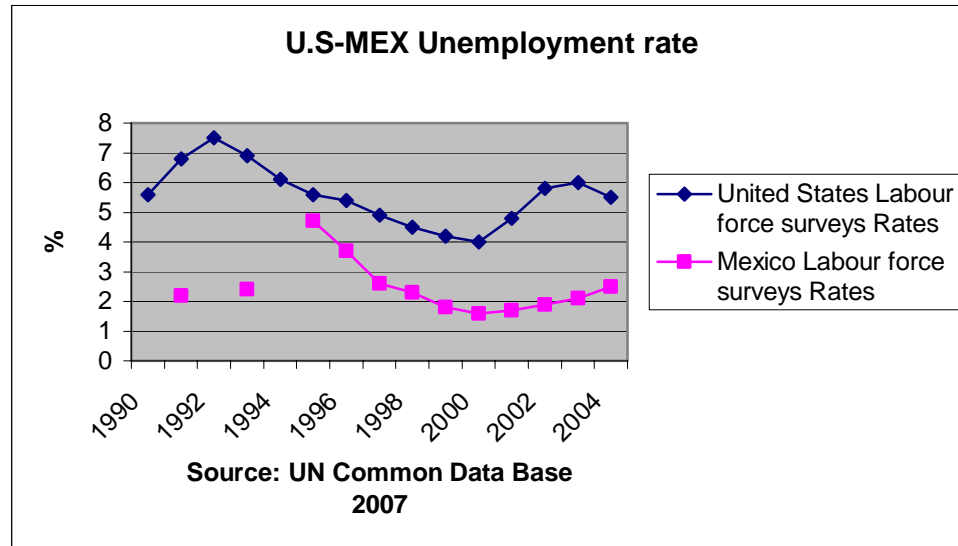


Figure 9. U.S.-Mexico Unemployment Rate 1990-2004 [From UN Common Data Base]

Following the initiation of the neo-liberal reforms, when this economic crisis hit Mexico, the people felt betrayed. They had believed that the macro-economic gains would outweigh the micro-economic losses. After enduring the hardships associated with the reforms, they now had to live through another crisis. Those who were on the fringes and had network connections migrated to the north into the United States. As Table 6 shows, the average net migration from Mexico to the United States went from 370,000 in the years 1990 to 1994 to 505,000 in the years 1995 to 1999, an increase of 36.5 percent.⁸⁹

The people's dissatisfaction with the economic situation increased the pressure for political reform, as Zedillo promoted what he called "definitive electoral reform." He wanted to establish an institutional and legal framework to promote free and fair elections and to prevent post-electoral protests. His actions served to further legitimize the PRI. If the PRI won now, there would be no reason to call the results into question. The playing

⁸⁸ Magaloni, "The Demise of Mexico's One-Party Dominant Regime," 142.

⁸⁹ Figure 8 is derived from J.S. Passel, 2005.

field was even. Thus, the electoral reforms of 1996 were passed. The mayor of Mexico City was now subject to a popular vote, and in the Chambers of Deputies no single party could hold more than 60 percent of the Chamber. This served to decrease the territorial malapportionment in the Mexican Senate and decreased the PRI's party overrepresentation in the national legislature. The 1996 electoral reforms also increased the autonomy and scope of subnational electoral institutes. The independence of the Electoral Federal Institute (IFE) was strengthened. And an Electoral Court (TEPJF) was created as the top legal electoral authority.⁹⁰ For all intent and purposes, the 1997 and 2000 elections were to be free and fair.

In the elections of 1997, the people expressed their dissatisfaction with the performance of the governing PRI. The people felt betrayed by the economic reforms of the Salinas administration, which were supposed to improve the daily lives of Mexicans. Therefore, voters were willing to vote for anyone except members of the PRI. As a result, a few of its members became disenchanted, left the PRI, and joined the PRD. This set the stage for a PRD victory for the mayoralty of Mexico City. It also led to the PRI losing the majority in the Lower Chambers.

The economic reforms were a long-term solution to Mexico's economic and social problems. The passing of NAFTA created a "migration hump" in the sense that the economic reforms that were intended to reduce migration levels in the long term would increase the migration level in the short term. In the 1990s the United States continued to pull migrants out of Mexico, while Mexico's stalled economy served to push migrants out. In addition, the preexisting migration networks enabled the migrants an easy transition out of Mexico.⁹¹ Mexico's political structure was adjusted to fit the economy. Reforms were passed that opened up the political structure in an attempt to halt political and public mobilizations. But, as Figure 4 shows, the political reforms were not enough to offset the harshness of an economic crisis that caused the annual GDP growth to drop

⁹⁰ Enrique Ocha-Reza, "Multiple Arenas of Struggle: Federalism and Mexico," 283–284.

⁹¹ Philip Martin, "NAFTA and Mexico-U.S. Migration," Giannini Foundation of Agricultural and Economics, University of Californian. December 16, 2005. 8, at <http://giannini.ucop.edu/mex-USmigration> (accessed May 21, 2007).

from 2.6 percent in 1994 to -7.8 percent in 1995.⁹² And the 1994 crisis delayed the neo-liberal economic reforms. The 2000 Mexican election would bring to light the country's dissatisfaction with the economy and political system.

E. THE FOX ADMINISTRATION: 2000

In the 2000 Mexican election, people voted for change, for a better government, and for a better economy. When the PAN candidate, Vincente Fox, captured the Mexican presidency, it ended seventy-one years of rule by the PRI. The PRI underestimated the need for change and could not mobilize the votes. Bribes and payoffs were not enough to keep them in power.

Since that election, no party has had a majority to approve legislation on its own. Thus, ad hoc coalitions have to be built. To pass a reform in the lower house requires a two-thirds majority, or 303 votes, and the PAN has only 206. Thus, alliances have to be formed. Despite opposition from the PRD, a PRI-PAN team now set the agenda, rounded up votes, and passed legislation. This was in contrast to the PAN-PRD agendas that frequently failed because the PRI still have power in the lower house. Reforms were able to be passed because the president and the parties had to work together. But there were times when the reforms were stalemated and lagged. The government was too weak to govern against important issues, yet strong enough to govern effectively.⁹³

The transition from a civil authoritarian to a democratic government affected the political and social landscape. As Table 5 details, in 2000, the Mexican political structure transitioned from being partially free (PF) to being free (F). By 2002, the political rights (PR) and civil liberties (CL) both showed a rating of 2. This openness of the political structure gave the people a voice and another option besides voting with their feet.⁹⁴

⁹² Figure 4 is derived from the Economic Commission of Latin America and the Caribbean, 2007.

⁹³ Denise Dresser, "Mexico: From PRI Predominance to Divided Democracy," 324–325.

⁹⁴ Table 5 is derived from "Freedom House in the World Rating, 1972–2006."

FREEDOM HOUSE INDEX RATING

Year(s)	PR	CL	Status
1990	4	4	PF
1991	4	4	PF
1992	4	3	PF
1993	4	4	PF
1994	4	4	PF
1995	4	4	PF
1996	4	3	PF
1997	3	4	PF
1998	3	4	PF
1999	3	4	PF
2000	2	3	F
2001	2	3	F
2002	2	2	F
2003	2	2	F
2004	2	2	F
2005	2	2	F

Table 5 Freedom in Mexico [From Freedom House Index 2006]

F. ECONOMIC REFORMS

Economically, NAFTA helped the country grow (see Figures 10 and 11). However, in the short term the growth of wealth was unevenly distributed. NAFTA had a negative effect on many rural Mexican farmers. The elimination of tariffs and the opening of trade allowed many farm products to come into Mexico, but the Mexican farmers have not been able to compete in a competitive market. They end up losing their jobs and having to migrate to urban areas and border towns or to cross the border into the United States. In the long term, the overall growth of Mexico's GDP, the increase in its per-capita GDP, and the reduction in its unemployment rate are all contributing factors in the reduction of the overall increase in migration out of Mexico. While the total number of migrants increased, the percentage of migration increase declined.

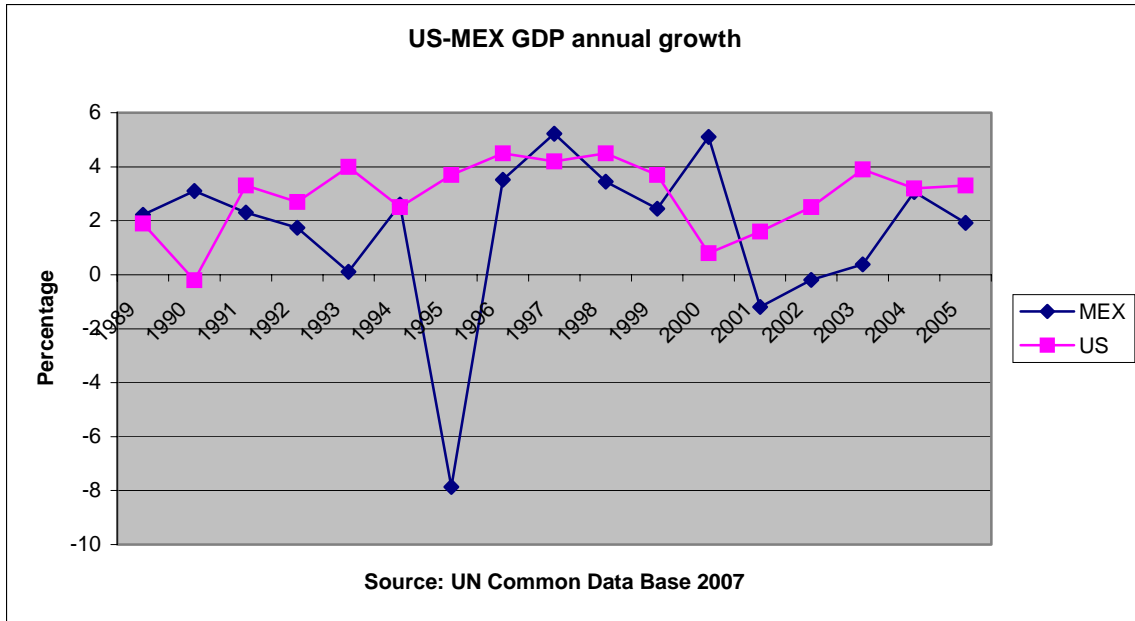


Figure 10. U.S.-Mexico GDP Annual Growth 1989-2006 [From UN Common Data Base 2007]

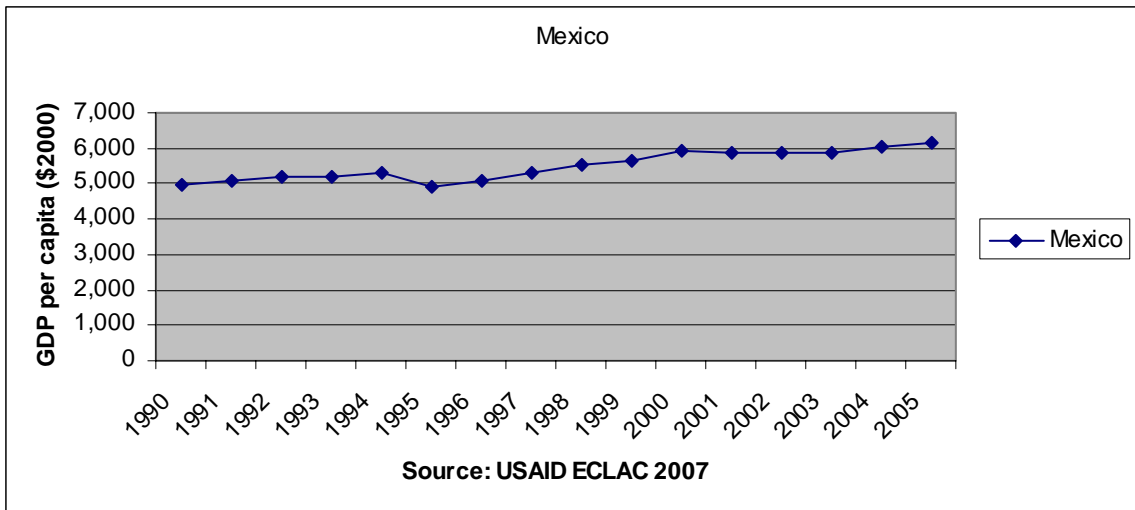


Figure 11. Mexico's GDP per Capita Income 1990-2005 [From USAID ECLAC]

In Mexico, the most developed areas receive the lion's share of direct foreign investments from NAFTA. In the less-developed areas, foreign development is practically nonexistent. The center of the country – the capital and the state of Mexico –

and the northern border zone receive 90.15 percent of direct investment.⁹⁵ The five poorest states receive 0.34 percent.⁹⁶ NAFTA has had a negative effect on the southern states because they lack the critical infrastructure needed to support it. Thus, the people in the south are being left out. In the time period 1993–2000, the per-capita GDP for the southern states decreased.⁹⁷ The market went to the northern states because of their proximity to the United States. The 1990 through 1993 time period correlates with Mexico's joining General Agreement on Trade and Tariffs (GATT).

The southern and central states are also behind in education compared to the “center of Mexico,” because while NAFTA increased the wealth of the northern states, it did nothing for the southern and central states. Their human capital was low, with insufficient infrastructure to support NAFTA. But it was not NAFTA itself that hurt the southern and central states, it was the policies surrounding NAFTA, which had a harmful effect. They increased inequality in Mexico. In an attempt to alleviate this problem, the Mexican government began to spend more on the country's infrastructure. As Figures 12 through 14 show, the mostly rural southern and central regions still do not receive the same funding as the mostly urban northern states. However, the amount of money spent on the southern and central states' infrastructure has increased, and if Mexico continues to address this issue, further improvement of the infrastructure will help to further reduce Mexico-U.S. migration. A more successful Mexican economy would help provide the revenues necessary to increase spending on infrastructure until the southern and central states are up to par with those in the north. The southern and central states, with 15.1 and 63.5 percent, respectively, accounted for nearly 80 percent of the migration from Mexico.⁹⁸

⁹⁵ Alberto Arroyo, “NAFTA in Mexico: Promises, Myths, and Realities,” *Alianza Social Continental* (June 2003) at www.asc-has.org (accessed August 23, 2006), 13.

⁹⁶ Ibid.

⁹⁷ Gerardo Esquivel, Daniel Lederman, Miguel Messmacher, and Renata Villoro, “Why NAFTA Did Not Reach the South,” *The Southern States Development Strategy*, Working Paper, June 12, 2002, 2–14.

⁹⁸ Pablo Ibarra and Darren Lubotsky, “Mexican Immigration and Self-Selection,” 25

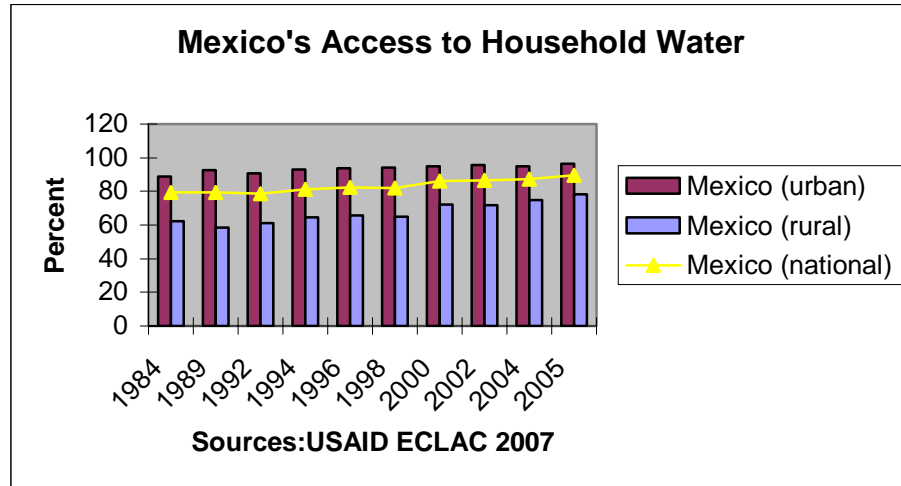


Figure 12. Mexico's Access to Household Water 1984-2005 [From USAID ECLAC]

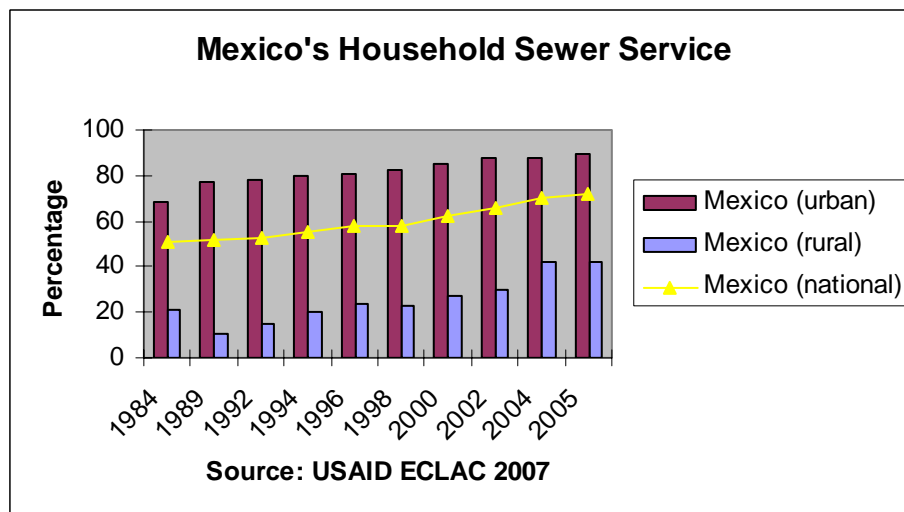


Figure 13. Mexico's Household Sewer Service 1984-2005 [From USAID ECLAC]

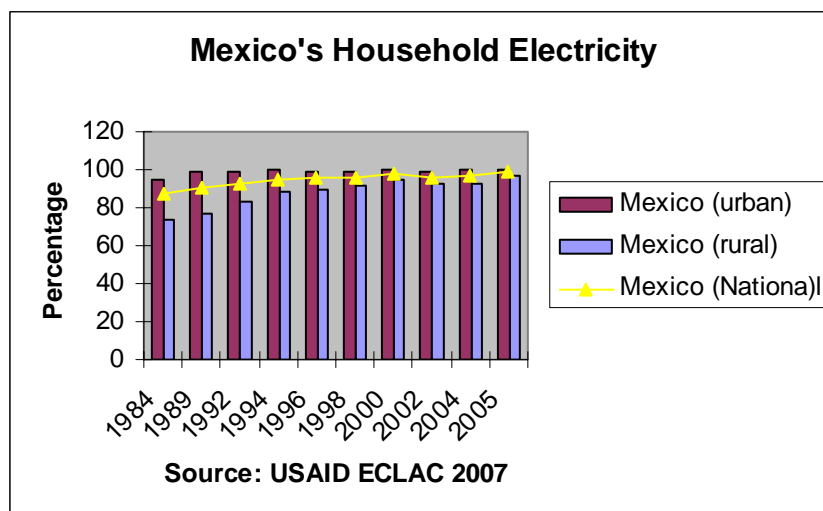


Figure 14. Mexico's Household Electricity 1984-2005 [From USAID ECLAC]

G. THE SOCIAL LANDSCAPE

In the early to mid 1990s, a notable increase in the rate of robberies (which, as we point out, are essentially economic crimes) caused a rise in the overall crime rate in Mexico. The late 1990s and the early 2000s, however, experienced a decrease in robberies, including general and automobile thefts. Then, from 1998 to 2002, the total recorded crime rate increased and included an increase in assaults.⁹⁹ Today, the overall crime rate is still on the rise.

As was noted earlier, the neo-liberal reforms put a lot of pressure on the Mexican people. In this new, free economy, the agricultural sector was one of the chief losers. So the Mexican people had to contend with both the effects of the economic crisis itself and the harshness of the economic reforms. By the year 2000, the number of extreme poor reached twenty-five million, with 20 percent lacking the necessary dietary requirements. By 2004, the number had declined to sixteen million, with 10 percent lacking the basic dietary requirements.¹⁰⁰

⁹⁹ United Nation, "Mexico: Country Profile," prepared by Regional Office for Mexico and Central America, UNODC (2005), 29, at www.unodc.org (accessed September 14, 2006).

¹⁰⁰ Ibid.

According to the migration-hump theory discussed earlier, the subsequent decline in total migration was a result of the long-term economic reforms finally taking effect. This was coupled with the democratic government's use of the economic gains to improve the life of the Mexican people. The increase in the crime rates in the early 2000s can be viewed in one of two ways, in terms of modernization theories or in terms of conflict theories. Proponents of modernization contend that a shift to democracy causes crime to rise until the democratic transition is complete. Proponents of conflict theory look at the economic aspects and note that, because there are still both the haves and the have-nots, the crime rate can be expected to rise. Both theories would anticipate both a rise in the crime level and a decrease in the percentage of increase of migration.

H. THE IMPACT ON MIGRATION

As Figure 15 shows, the 25 percent increase in the Mexican population between 1990 and 2005 does not explain the migration numbers. Nor does it explain the decrease in the percentage-of-increase rate or the low increase in actual migration numbers. The level of overall crime also fails to explain the decrease in migration. The overall crime rate increased in the 1990s and early 2000s. The rate of robberies decreased, while the rate of assaults increased. The 1994 economic crisis increased migration by 36.5 percent over the preceding year.¹⁰¹ But by 2004 the upswing in the Mexican economy combined with the democratic transition helped to reduce the annual increase in the migration level to 13.9 percent.¹⁰²

¹⁰¹ Figure 8 is derived from Passel, 2005.

¹⁰² Ibid.

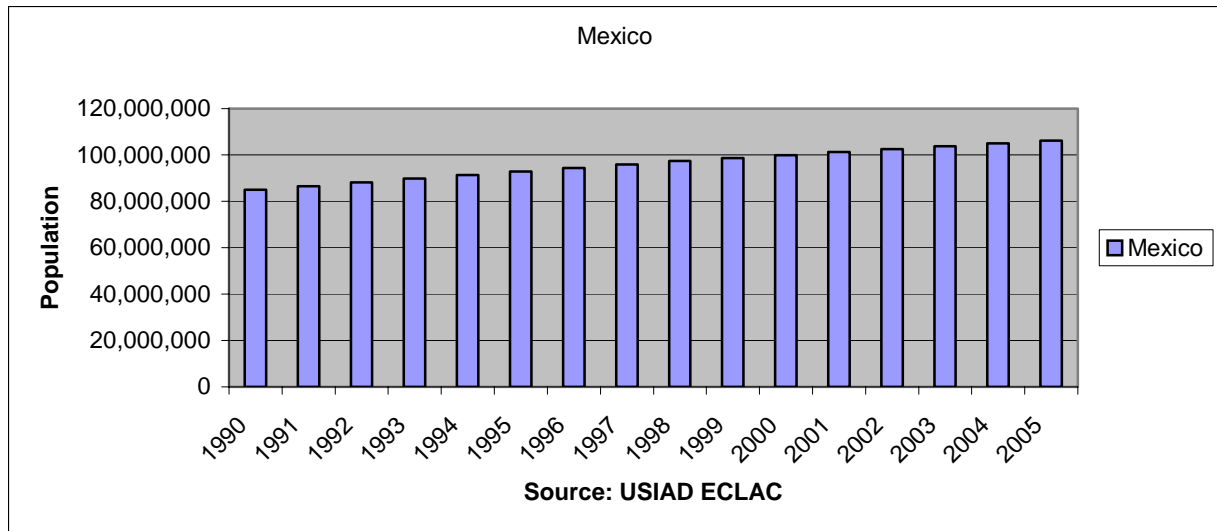


Figure 15. Mexico's Population 1990-2005 [From USAID ECLAC]

In 1994, the civilian authoritarian government implemented policies in the form of political and economic reforms to counteract the economic crisis. The political reforms opened up the political structure and paved the way for a transition from a civilian authoritarian government to the democratic government that came into power in 2000. In the 1990s, the Freedom Index Rating showed the Mexican political structure as partially free with no real change for the decade. In 2000, after the transition to democracy, the rating changed to free, with the PR/CL dropping to 2/2 in 2002. Because of the economic policies of the presiding governments, both civilian authoritarian and democratic, the political structure was one factor that had a definite impact on the level of migration.

And because the performance of the Mexican economy tends to run parallel with the levels of migration, the economic reforms administered in the 1990s also impacted the migration levels. The annual growth of Mexico's GDP showed either negative or low growth in the 1990s, and during this time period, the level of migration increased. During the same time frame, the U.S. GDP averaged a 3.2 percent growth.¹⁰³ When the Mexican economy rebounded with positive growth in the 2000s, the percentage of increase of migration decreased. The economic growth was a result of Phases III and IV of the neo-

¹⁰³ Figure 10 is derived from the UN Common Data Base, 2007.

liberal reforms taking affect. This time, the Mexican people were more patient in waiting for results, a finding supported by the Gini index and data showing the levels of extreme poverty. In the period from the 1990s to the mid 2000s, the Gini Index showed a reduction, as did the level of extreme poverty, including the percentage of people lacking the basic dietary requirements.

As Table 6 shows, the improvement in the Mexican economy is credited with a slowdown in the migration rate. A democratic government is better able than a civilian authoritarian government to respond to the will of the people. The combination of these two variables – an improved economy and a more democratic government – effected a reduction in the migration levels. In the period from 1995 through 1999, we saw a percentage of migration increase, which was attributed to the 1994 economic crisis. Then, from 2000 to 2004, the percentage of increase of migration decreased, which we attribute to the economic reforms taking effect and the democratic government's taking the initiative to motivate the economy. With the help of the United States, Mexico can and must continue this trend.

MIGRATION ROOT CAUSES 1990-2005			
	1990-1994	1995-1999	2000-2004
MIGRATION NUMBERS (1)	370,000	505,000	575,000
MIGRATION % INCREASE	29.8(2)	36.5	13.9
ECONOMIC			
GDP ANNUAL GROWTH PERCENTAGE	DOWN	UP	UP
GDP PER CAPITA	UP	DOWN	UP
UNEMPLOYMENT	CONSTANT	UP	DOWN
TOTAL ECONOMIC PICTURE	CONSTANT	NEGATIVE	POSITIVE
POLITICAL			
FREEDOM INDEX RATING	CONSTANT/PF	CONSTANT/PF	UP/FREE
TOTAL POLITICAL	CONSTANT	CONSTANT	POSITIVE
SOCIAL LANDSCAPE			
POVERTY	CONSTANT	UP	DOWN
INEQUALITY	UP	UP	DOWN
OVERALL CRIME	UP	UP	UP
INFRASTRUCTURE SPENDING	CONSTANT	CONSTANT	UP
TOTAL SOCIAL	CONSTANT	NEGATIVE	POSITIVE
TOTAL ASSESSMENT	CONSTANT	NEGATIVE	POSITIVE
1.MIGRATION NUMBERS ARE THE AVERAGES FOR EACH YEAR IN THE FIVE YEAR TIME FRAME			
2. THE MIGRATION % OF INCREASE FOR 1990-1994 IS BASED ON THE MIGRATION NUMBERS FOR 1985-1989			

Table 6 Migration Root Causes [After Passel 2005, UN Common Database 2007, USAID ECLAC 2007, and Freedom House Index 2006]

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V: CONCLUSIONS AND RECOMMENDATIONS

A. INTRODUCTION

Since the terrorist attacks of September 11, 2001, the debate over immigration to the United States has assumed a new dimension. Traditionally, the debate focused on the threat that immigrants posed to the cultural identity of the United States and to its economic well-being. Now, critics of migration argue that it also poses a threat to U.S. national security. The purpose of this thesis was to assess whether or not immigration poses an economic or security threat to the United States. Since 69 percent of the 208,521 foreign nationals removed from the United States in 2005 were from Mexico, the thesis focused on migration from Mexico.¹⁰⁴

Chapter II argued that migration from Mexico is not a major threat to either the U.S. economy or its national security. The United States and Mexico both benefit economically from migration. In both countries the overall macro-economic gains outweigh the suffered in particular economic sectors. The economic benefits gained through migration, both unauthorized and authorized, from Mexico to the United States also outweigh the threat to national security.

Migration poses a possible threat to U.S. national security in that a terrorist could gain access through the U.S.-Mexico border, but, to date, that is not probable. The media exaggerates the possibility of a terrorist entering from Mexico or via Central or South America through Mexico. But locating a terrorist along the U.S.-Mexico border is equivalent to finding the proverbial needle in a haystack. Since the threat is small, the United States has time to take a rational approach in addressing the problem. The current U.S. approach is basically to hire more people to look for the needle, whereas the focus should be on reducing the level of the hay. Instead of pouring more money into short-term solutions – apprehension and fences – the emphasis should be shifted to working on

¹⁰⁴ Mary Dougherty, Denis Wilson, and Amy Wu, “Immigration Enforcement Actions: 2005,” 1.

long-term solutions that focus on the sources of Mexican migration, since as this thesis argues, illegal and legal migration are driven by the same economic factors. Accordingly, Chapters III and IV examined the causes of migration from Mexico over the last twenty-five years.

B. CAUSES OF MIGRATION LEVELS: 1980–2004

To determine the underlying factors shaping and driving migration, the thesis looked at changes in Mexico-U.S. migration levels between 1980 and 2004. A U.S. “pull” factor in terms of economic activity and a preference for cheap labor was held at a constant. The U.S. GDP remained higher than Mexico’s throughout the twenty-five-year time frame. As did the United States’s unvarying need for cheap labor. The possible “push” factors driving migration from Mexico that the thesis examined were the types of Mexico’s political regimes, overall crime rates, levels of income inequality, and economic development.

The civilian authoritarian government under President Madrid (1982–1988) made significant policy changes in reaction to an economic crisis in 1982 in an effort to prevent mass mobilization. The potential for political mobilization was compounded by the 1985 Mexico City earthquake. Though the Mexican political system remained only partially free, the doors were opened for other parties and nonparty organizations (NGOs and civil groups) to participate in the government. The economic crisis of 1982 also opened the doors for economic reform. The Mexican economy of the 1980s had a notable affect on the migration levels. The Mexican GDP decreased while the U.S. GDP increased. This disparity pulled many migrants out of Mexico, thereby impacting the migration levels. The people had neither the will nor the financial capital to wait for the first two phases of the long-term neo-liberal reforms to yield positive effects.

In regard to the social aspect in Mexico, the thesis examined three aspects: income inequality, poverty, and crime. In the 1980s, the Gini Index increased and so did the level of extreme poverty, while the percentage of people that lacked the basis dietary requirements remained constant. The level of overall crime also increased, though the percentile of homicides remained constant. A notable increase in robberies, considered

economic crimes, which coincided with the economic crisis, explains the increase in the overall crime rate. The 1980s experienced an increase in the migration level.

Another factor that affected migration in the 1980s was the Immigration Reform and Control Act (IRCA) passed by the United States in 1986. The Act granted amnesty to the 2.7 million unauthorized migrants already in the United States¹⁰⁵ and thus gave the hope of legalization, despite their unauthorized entry, to many potential migrants. It also reinforced two important concepts: remittance and the Braceros legacy of networks. Remittances are the monies that migrants in the United States send back to their families in Mexico, which in the 1980s helped offset the economic downturn caused by the economic crisis. During this time also, the networks formed by Mexican migrants in the United States grew larger and more readily available to family members or friends who would decide to migrate in the future.

In 1988, the Salinas administration enacted political reforms to offset the implications of electoral fraud in the 1988 election. President Salinas also implemented phases three and four of the economic reforms that were part of the long-term solution to Mexico's economic problems. The economic improvements gained from those neo-liberal reforms had a definite affect on the Mexican economy, putting it and keeping it on the road to recovery from the economic crisis of 1982.

All three factors – the political system, the economy, and the social landscape – remained constant. And the recovering economy and the people's faith in the country were enough to offset the increase in migration and keep the increase in migration low. As Table 7 shows, even with the increase of networks caused by the implementation of ICRA in 1986, during the Salinas administration the level of migration increased by only 29.8 percent for the years 1990–1994.¹⁰⁶

The Zedillo administration, in turn, implemented both political and economic policies and reforms to counteract the economic crisis of 1994. The political reforms opened up the political structure and paved the way for the transition to democracy that

¹⁰⁵ Andorra Bruno, "Immigration: Policy Considerations Related to Guest Worker Programs," 31.

¹⁰⁶ Table 7 is derived from Passel, 2005.

occurred in 2000. From the mid 1990s through 1999, the Gini Index increased, as did the level of extreme poverty and the number of people lacking basic dietary requirements. The level of overall crime also increased due to the increased rate of robberies. The political system remained constant while the social landscape and the economy were rated negative. The combination of these increased the rate of migration. As Table 1 shows, the rate of migration increased 36.5 percent.¹⁰⁷

The Fox administration was better able to respond to the will of the people and implemented social programs aimed at offsetting the economic disparity in Mexico. The political structure during his administration had a notable affect on the levels of migration. The political system became democratic and free. The social landscape improved in all areas except overall crime, which increased due to an increase in the level of assaults. A decrease in robberies, because they are considered economic crimes, indicated that the economic situation was improving. All in all, the economy showed positive gains, and the combination of all these factors affected a decrease in the level of migration. As Table 1 shows, the level of migration decreased to 13.9 percent.¹⁰⁸

The economic reforms of the 1980s and 1990s which included NAFTA, were a long-term solution to Mexico's economic and social problems, and thus they created what became known as a "migration hump." Economic reforms that were intended to reduce migration in the long term increased migration in the short term. In the 1980s and 1990s, Mexico met all three conditions of a "migration hump": the United States continued to pull migrants out of Mexico, Mexico's stalled economy served to push migrants out, and the preexisting migration networks enabled the migrants to more easily transition out of Mexico.¹⁰⁹

Mexico's political structure adapted fit the economy. In an attempt to halt political and public mobilizations, reforms were implemented that opened up the political

¹⁰⁷ Table 7 is derived from Passel, 2005.

¹⁰⁸ Ibid.

¹⁰⁹ Philip Martin, "NAFTA and Mexico-U.S. Migration," 8.

structure. However, they were not enough to offset the harshness of the 1994 economic crisis that caused the drop of the annual GDP growth rate in the mid 1990s. Instead, the crisis delayed the effects of the reforms.

The 2000 Mexican election brought the country's dissatisfaction with the economy to light, and the growing dissatisfaction led to the country's transition to a democratic political system. The democratic transition is also linked to the economic reforms, which are linked in turn to the 1982 and 1994 economic crises.

The levels of migration increased in the years immediately following each crisis. Once the economy recovered from the crisis, the percentage of increase in migration went down. The economic crisis of 1982 increased the migration levels from Mexico by 29.8 percent during the years 1985–1989, as compared to the years 1980–1984. The economic crisis of 1994 increased the migration levels from Mexico by 36.5 percent during the years 1995–1999, as compared to the years 1990–1994.¹¹⁰ But the eventual upswing in the Mexican economy, combined with the democratic transition, slowed the rate of migration. Migration levels in the years 2000–2004 represent only a 13.9 percent increase, as compared to 1995–1999 levels.¹¹¹

¹¹⁰ Table 7 is derived from Passel, 2005.

¹¹¹ Ibid.

MIGRATION ROOT CAUSES 1980-2004					
	1980-1984	1985-1989	1990-1994	1995-1999	2000-2004
TOTAL MIGRATION NUMBERS	220,000	280,000	370,000	505,000	575,000
TOTAL MIGRATION % INCREASE COMPARED TO PRECEDING PERIODS	N/A	29.5	29.8	36.5	13.9
ECONOMIC					
GDP ANNUAL GROWTH PERCENTAGE	DOWN	DOWN	DOWN	UP	UP
GDP PER CAPITA	DOWN	DOWN	UP	DOWN	UP
UNEMPLOYMENT	N/A	N/A	CONSTANT	UP	DOWN
TOTAL ECONOMIC PICTURE	NEGATIVE	NEGATIVE	CONSTANT	NEGATIVE	POSITIVE
POLITICAL					
FREEDOM INDEX RATING	CONSTANT/PF	CONSTANT/PF	CONSTANT/PF	CONSTANT/PF	UP/FREE
TOTAL POLITICAL	CONSTANT	CONSTANT	CONSTANT	CONSTANT	POSITIVE
SOCIAL LANDSCAPE					
POVERTY	CONSTANT	UP	CONSTANT	UP	DOWN
INEQUALITY	UP	UP	UP	UP	DOWN
OVERALL CRIME	UP	UP	UP	UP	UP
INFRASTRUCTURE SPENDING	CONSTANT	CONSTANT	CONSTANT	CONSTANT	UP
TOTAL SOCIAL	NEGATIVE	NEGATIVE	CONSTANT	NEGATIVE	POSITIVE
TOTAL ASSESSMENT	NEGATIVE	NEGATIVE	CONSTANT	NEGATIVE	POSITIVE
1. THE MIGRATION NUMBERS ARE THE AVERAGES FOR EACH YEAR IN THE FOUR YEAR TIME FRAME					

Table 7. Roots Causes of Migration 1980-2004 [After Passel 2005, UN Common Database 2007, USAID ECLAC 2007, and Freedom House Index 2006]

C. RECOMMENDATIONS FOR REDUCING THE MEXICO-U.S. MIGRATION LEVELS

Enforcement at the U.S.-Mexico border is a wise endeavor. However, it should be only one of many resources used to reduce and control migration from Mexico,

particularly the unauthorized migration which is the main source of national security concerns. The United States and Mexico could also reduce the level of migration by implementing a few preventive measures. For instance, the Mexican government must continue to push forward economically and socially. It must implement changes in Mexico's infrastructure, educational system, and legislative branch. The U.S. government needs to work with the Mexican government to implement alternatives to the current immigration policies.

More specifically, the Mexican government needs to implement new tax legislation and invest the revenues it generates into building up Mexico's infrastructure. Currently, all foreign direct investment (FDI) is being directed toward areas with the best infrastructure, such as Mexico City and the cities along the Mexico-U.S. border. During the Fox administration, the government distributed more money to the underdeveloped regions. To further reduce the migration levels the infrastructure of the underdeveloped areas in southern and central Mexico need to be continually improved. This improvement would involve more government spending on infrastructure and granting tax incentives for companies to invest in the underdeveloped areas. Since 80 percent of the migrants come from the southern and central states with the least developed infrastructure, this would help to reduce migration levels.¹¹²

The next measure would involve a commitment to Mexico's human capital by restructuring the country's educational system. This would include the start of a nationally sponsored "Head Start" program to improve the quality of and Mexican citizens' exposure to education. Such improvements would also include the expansion of the compulsory education system from nine years, six years primary and three years secondary, to twelve years of schooling. This revamping of the educational program would provide a solid educational foundation for Mexican youth. And would increase the jobs opportunity of Mexico's people, thus making them less likely to migrate. The return proportionally would be greater in Mexico for educated, skilled Mexican workers than in the United States. It would create an incentive for the more skilled workers to remain in

¹¹² Pablo Ibarra, and Darren Lubotsky, "Mexican Immigration and Self-Selection," 25.

Mexico, while the less skilled would continue to migrate to the United States.¹¹³ However, even the ones that migrated would not create a long-term net deficit for the United States government because, if the education improvements were implemented, they would possess at least a high school education. And though a migrant with a high school education cost U.S. taxpayers \$30,000 over his lifetime, the contribution of his children would create a net gain of \$50,000. If the earning of the migrant and his child are combined they create a net gain of \$20,000 which is enough to offset the initial deficit.¹¹⁴

Another improvement measure that the Mexican government could enact is changes in the legislature that would allow the reelection of members of Congress, the *Congresista*. Before this can be accomplished, however, the current electoral laws have to be addressed. Currently, the terms “politywide” and “lack of discipline” characterize the Mexican party system. The low degree of party discipline affects the probability that politicians will be renominated for office in the future. It also jeopardizes nearly half of the public campaign finances, which are derived from the party, as well as politicians’ job prospects when they leave politics. These factors combined reduce the power of incumbents, because until electoral changes are implemented, members of Congress are not able to run for reelection.¹¹⁵

If the *Congresista* were able to be reelected, their primary loyalty would be directed more toward their constituency than toward their prospective party. The prospect of reelection would also make them more accountable to the people, not the party, and would encourage Congress members to bring lucrative contracts, or “pork,” to their electoral regions. This change in legislature could be the galvanizing force needed to implement real change in Mexico. It could be effective in the revamping of the educational system and build-up of the infrastructure because, if Mexico’s congress members were able to be reelected, they would likely be more mindful of the people’s

¹¹³ Ibid., 26.

¹¹⁴ Philip Martin and Elizabeth Midgley, “Immigration: Shaping and Reshaping America,” 23.

¹¹⁵ Enrique Ocha-Reza, “Multiple Arenas of Struggle: Federalism and Mexico,” 291.

needs. To assure their own reelection, they would have to address the social and economic problems of the people. As a result, the entire infrastructure of the country would be improved.

At the same time, the establishment of a Head Start program and a revamped compulsory education system would result in workers who were better skilled and thus more able to take advantage of the full benefits of free trade. All of these things would help the economy and reduce migration, both authorized and unauthorized. Even though authorized migration will most likely still continue, legal immigrants from Mexico would possess highly marketable skills thus earning them higher wages and paying more taxes and thus, reducing the burden on the U.S. social system. Finally, these measures would improve the overall economic and social conditions in the country for the Mexican people, which would in turn make it more likely that overall migration would decline and could be managed through legal channels. The already small economic threat to the United States would be reduced, and the Department of Homeland Security would then be more able to apprehend the real threats to the U.S. national security at the southern border rather than focus on the much lower threat posed by economically driven illegal immigrants.

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